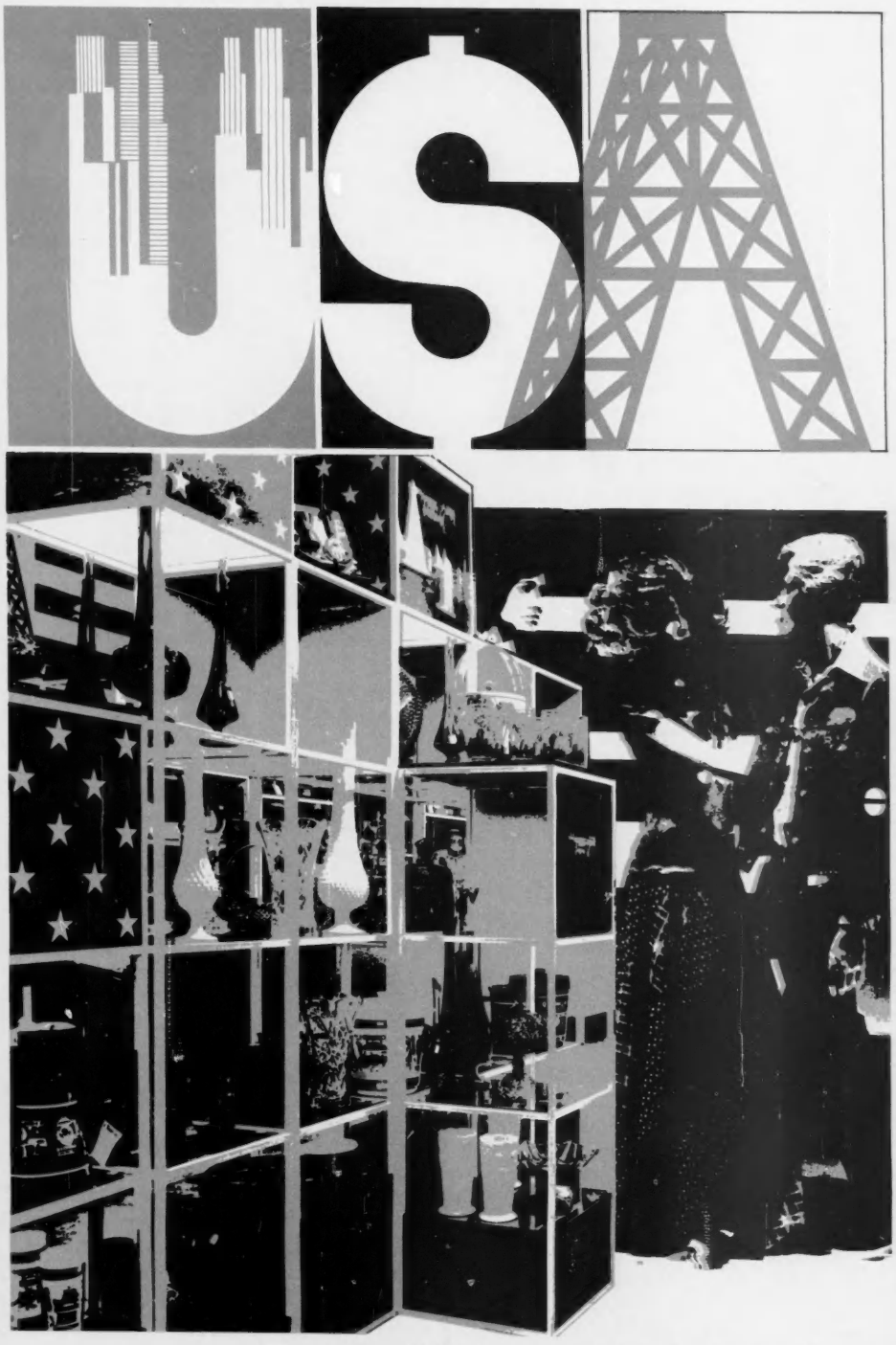
Commerce Today

SEPTEMBER 29, 1975



Europe Welcomes U.S. Consumer Goods

Newsmemo

Retailers' losses from crimes such as shoplifting and theft may total more than $6.5 billion in 1975. This total in a new Commerce Department report compares with an estimated $5.8 billion in 1974. The report describes ways to hold down such so-called "ordinary" crimes—burglary, robbery, vandalism, shoplifting, employee theft, bad checks, credit card fraud and arson. It also identifies sources of governmental and private assistance in crime prevention. The 50-page report, "Crime in Retailing," is available at $1.10 from Supt. of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Banks, savings and loans, mutual saving associations and credit unions will help distribute Bicentennial coin sets. Mary Brooks, Director of the U.S. Mint, explains: "We believe by utilizing the over-the-counter sales of the financial institutions of this country, we can place 40 percent silver coin sets within the reach of every American, recognizing that everyone will want to share in the excitement of this historical national moment." The coin sets on sale at these 73,000 outlets are the Washington quarter, Kennedy half dollar and Eisenhower dollar, with special Bicentennial designs on the reverse sides and a silver content that distinguishes them from the regular copper-nickel circulating coins.

A familiar element in the merchandising scene will change if proposed new federal regulations go into effect. The Food and Drug Administration would ban some uses of polyvinyl chloride (PVC) in food packaging. The action stems from evidence that residual PVC may move from the container to the food. The ban would cover use of PVC in bottles, blister packs, boxes and other rigid and semi-rigid packaging that comes into contact with food, as well as use of PVC coatings on fresh citrus. It would not affect use of PVC in film wraps, gaskets, cap liners, tubes and package coatings. The Food and Drug Administration has approved the use of ABS plastic materials (acrylonitrile, butadiene, styrene) for food containers. Already used to package edible oils, they will be used to make jars and bottles for foods, and cheese/meat packs.

New popularity of attic fans is a sign of the times. In Eastern U.S., sales gains range up to five times the level of two years ago. Customers, deterred both by first cost and high power costs associated with air conditioners, have been turning instead to attic fans. Meanwhile window unit air conditioners are reported to be experiencing a steep slide in sales. Attic fans have appeal because they not only lower temperatures, but also relieve load and save on electrical consumption where air conditioning has already been installed.

An important beginning has been made by the world's major machine tool makers in gathering useful data on their production and international sales. The U.S. National Machine Tool Builders' Association has joined with counterparts in eleven European nations and Japan in assembling data for 1974. The machine tool groups have striven for data which provides the greatest possible degree of comparability between the various national statistics. In the past, up-to-date figures on machine tool production, exports and imports have not lent themselves to ready nation-to-nation comparisons, especially by types of products. The inaugural effort has breakdowns by metal-cutting and metal-forming type only, but succeeding versions will have more details.

A recent European Common Market action has significance to industries pressing for an even competitive break on anti-pollution costs. The draft directive requires that titanium dioxide producers cut their polluting effluents by 95 percent over the next ten years. How to accomplish this is left to individual companies, but under the proposal EEC member countries have 18 months to apply the new measures. The Italian firm, Montedison, closed a plant last May because of high pollution control costs, and claimed it could not compete with 17 other European plants that were not required to make similar anti-pollution investments.

Ad and promotion outlays by the 100 largest national advertisers went to an all-time high $6 billion last year. This was about 5.6 percent over the 1973 total. Procter and Gamble, General Motors and Sears were the top three advertisers. The U.S. Government was No. 10 on the list. The biggest ad category was drug and cosmetics, with an aggregate total of $1.16 billion, representing a slight falloff from the 1973 total. In second place was food, moving up strongly to a $1.06 billion total.

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COVER: *European department and chain stores have been plugging U.S. consumer goods in special promotions using this specially-designed "USA" to advertise American products. The response has been inspiring at the cash registers. Story beginning on page 5 provides the details.*

Buying Power Rebounds: Employment Rises While Inflation, Taxes Take Smaller Bites

Economic Highlights is prepared by James L. Pate, Assistant Secretary of Commerce for Economic Affairs.

The growth of personal income, which had almost stopped last winter, has accelerated strongly again now that the economic recovery is well under way. Since last February, total personal income has risen by $63 billion at an annual rate, or 5½ percent. Furthermore, $18 billion of this increase came in August alone—one of the largest on record for a month without any special social security increases. In the second quarter, faster growth in personal income, a lower rate of inflation and cuts in taxes produced the first rise in consumer purchasing power since late 1973.

The income gain since February was 2½ times as large as the rise in the previous six months, largely reflecting the sharp changes in wages and salaries in goods-producing industries and in farm income. Wages and salaries in the goods-producing sector had declined $16 billion at an annual rate in the six months ending in February, when the wage and salary component had reached its recession low, and then recovered $12 billion by August. Farm income declined $8 billion and then recovered by the same amount, reflecting changes in farm output as well as large price fluctuations.

The adverse income effects of sharp declines in private economic activity, however, were substantially buffered by transfer payments (e.g., unemployment insurance, social security, and welfare). These payments rose at an annual rate of $22 billion from August last year to February and then slowed to a little more than half that rate of increase between February and August 1975. This rise in transfer payments last fall and winter, as the recession was deepening, represented an increase of about $7 billion over the previous six months.

The slower rate of price increase this year has been a substantial factor in the recovery in the purchasing power of personal income. After adjustment for consumer price increases, personal income rose 1.9 percent from February to August. By comparison, if inflation had continued at the 1974 rate, real income would instead have declined 1.7 percent.

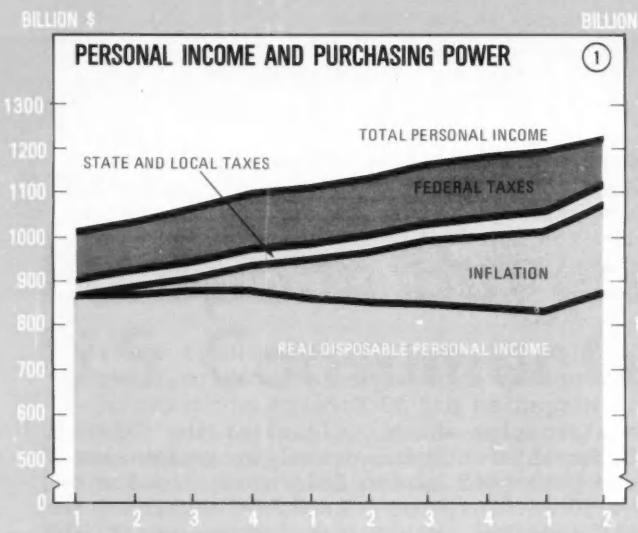
Prior to the recent tax reductions, consumers had been paying a slowly increasing share of their income for personal taxes. The proportion paid in taxes had risen from 14.2 percent in the first quarter of 1973 to 15 percent in the second half of 1974, as rising dollar incomes put the average taxpayer into successively higher tax brackets. This 0.8 percentage point increase meant an extra $10 billion in annual taxes. This upward creep in the average tax bracket was more than offset, however, by a temporary federal tax reduction of $12 billion at an annual rate beginning May 1, 1975. This reduction is scheduled to expire at the end of 1975.

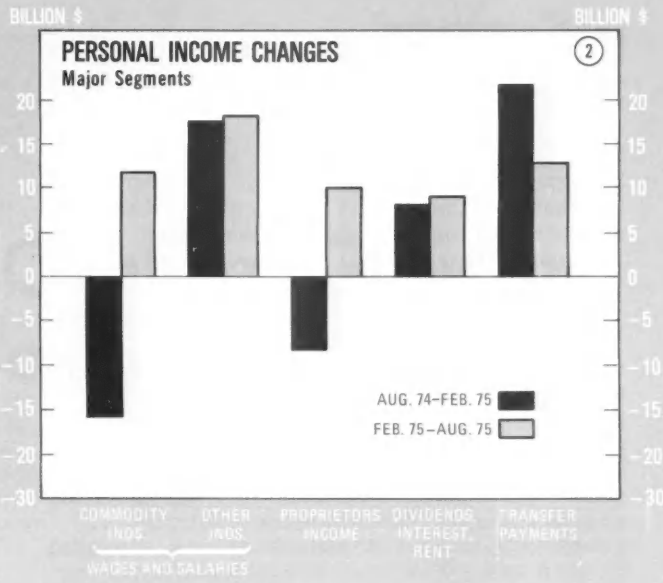
To further boost consumer purchasing power, Congress also enacted early this year a program of cash payments directed primarily toward lower-income people. During the second quarter, substantial rebates on 1974 taxes were paid and a $50 bonus was given to recipients of social security and railroad retirement benefits. The tax rebates during the quarter amounted to $31.7 billion and the bonuses $6.6 billion, both at annual rates.

These large government outlays, however, did not result in a dramatic increase in consumer purchasing. During the second quarter, disposable personal income rose at an annual rate of $63 billion, of which $46 billion reflected the special payments and the tax cut. Personal outlays, however, rose by only $25 billion, compared with a $17 billion rise in the first quarter when there were no anti-recession payments or tax reductions. It is expected, however, that much of the large addition to consumer incomes will be spent as the year progresses.

Long-term changes

The proportion of personal income going for tax payments has tended to rise slowly since the late 1940s. The rise in the state and local tax share of personal income has been fairly steady until recently, moving up from 1.2 percent in 1949 to 3.6 percent in 1972. By 1974, however, the state and local share had declined to 3.4 percent, partly reflecting the fact that during a period of rapid inflation, property assessments and therefore property taxes lag behind the increase in incomes. The federal tax share has shown greater fluctuation, depending partly on whether the government changed tax rates to stimulate or to curb personal consumption. Even with constant tax rates, the progressive federal rate schedule has tended to increase the tax share in boom periods when incomes rise, and reduce it somewhat in recessions when incomes fall, thereby helping to stabilize the economy. In the severe recession of 1958, for example, the federal tax share went from 10.7 percent in 1957 to 10.2 percent in 1958 and 10.4 percent in 1959. The general trend has been upward in the long run, however; between 1949 and

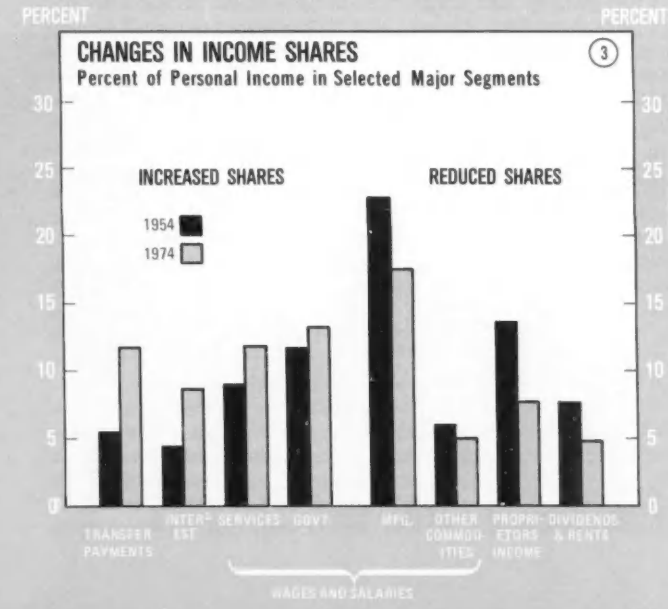


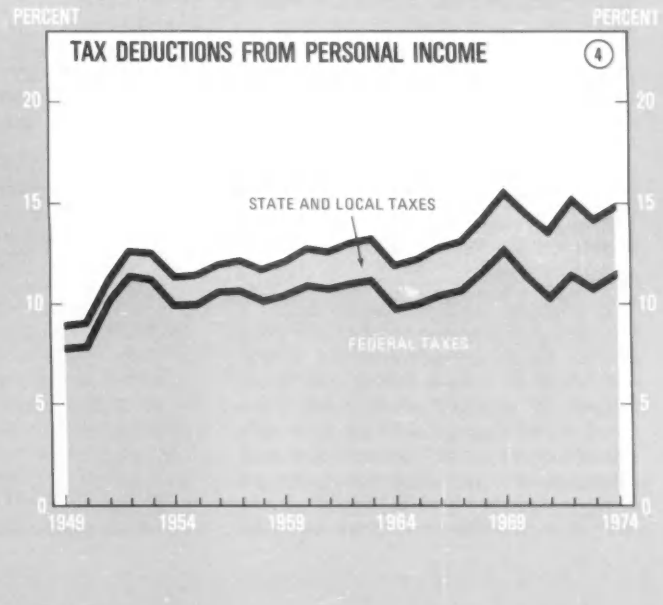


1974, the federal tax share rose from 7.8 percent to 11.4 percent. The peak of 12.6 percent came in 1969, reflecting the effect of a temporary surtax.

Despite the increasing tax bite, real disposable personal income had risen steadily throughout the postwar period until 1974. From 1949 to 1973, real disposable income rose 168 percent in total, or 90 percent per capita. The decline in personal disposable income in 1974 resulted from three developments: an acceleration of the price rise, a slower increase in current-dollar income because of falling employment in the second half of the year, and a moderate increase in the percentage of income paid in taxes. This decline, amounting to 2.7 percent, and the consequent drop in real personal consumption, was a major cause of the recent recession.

Over the past 20 years, personal income has become somewhat less vulnerable to business recessions because of a marked shift toward income sources that are little affected by cycles or are actually counter-cyclical. The largest increases in the share of personal income occurred in transfer payments, interest payments, and wages and salaries in services and government. Their combined share rose from 31 percent in 1954 to 46 percent in 1974. The transfer payment share alone rose from 5½ percent to 12 percent, with most of this increase coming since 1967. Offsetting declines have been mostly in wages and salaries of commodity-producing industries and income of proprietors, including farm proprietors, which together declined from 43 percent of the total to 30 percent. The share of dividends and rent was also somewhat reduced.





Energy Management Digest

INDUSTRIAL ENERGY STUDIES . . . Technical background studies on energy consumption—and energy conservation opportunities—for nine major industries have been published by the Federal Energy Administration. Industry accounts for an estimated 43 percent of total U.S. energy consumption, and a significant proportion is attributable to these nine industries: aluminum, cement, copper, glass, paper, petroleum refining, plastics, steel, and synthetic rubber. A summary volume, "The Data Base: Potential for Energy Conservation in Nine Selected Industries," presents the basic data for all nine industries. In addition, an individual volume, devoted to each industry, describes manufacturing processes, materials used and energy requirements, and historical trends in energy consumption. Each volume also suggests how the data can be used, for example, to aid in materials substitution, to plan research and development efforts, or in market planning. For details, write the Office of Technology Transfer, Office of Industrial Programs, Conservation and Environment, FEA, Washington, D.C. 20461.

BACKYARD FURNACE . . . Solar Power, Inc., a Doylestown, Pa., corporation has been licensed by International Solarthermics of Nederland, Colo., to manufacture and distribute a backyard solar furnace. The company claims that Suntamer backyard solar furnace is the first practical, mass-produced, low-cost solar furnace made. It is also claimed to be the only unit now available that can be 'plugged-in' to existing homes. Solar Power is selecting both dealers and distributors to sell and install the furnace nationwide. Contact: Melinda Pelto, Solar Power Inc., 201 Airport Blvd., Cross Keys, Doylestown, Pa. 18901 (215-348-9066).

SECURITY UNIT STUDIED . . . The Nuclear Regulatory Commission has begun a Congressionally-mandated study to determine whether an NRC Security Agency should be established to protect nuclear material and facilities and, if so, how the agency should function. The Commission is seeking input from individuals, organizations, and state and local government units. The Security Agency would be designed to prevent theft and illict use of strategic special nuclear materials and malicious actions at NRC-licensed facilities that could result in release of radioactive materials into the environment. Persons who wish to submit written comments should send them by October 24, to the Deputy Director for Policy and Planning, Office of Nuclear Material Safety and Safeguards, Nuclear Regulatory Commission, Washington, D.C. 20555.

CHANGING OIL RELATIONSHIPS . . . A study of the rapidly changing relationships between oil companies and 30 foreign governments—relationships which could alter the future of the international petroleum system—has been published by the Federal Energy Administration. Entitled "The Relationship of oil companies and Foreign Governments." the 205-page report describes the historical and current relationships between private oil firms and governments of oil-producing and oil-consuming nations. The oil companies' basic structure, which incorporates functions necessary to explore and find oil, pump it from the ground, refine, transport, distribute and market petroleum products, will most likely survive, the study says. However, it sees the role of the private companies in the international political and economic arena diminishing as governments begin to expand their direct involvement in the worldwide oil market. Copies are available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402, at a cost of $2.80. Requests should refer to Class F.E. 1.2:OI-5, Stock No. 041018-000-73-9.

COMMENTS REQUESTED . . . The Nuclear Regulatory Commission has called for public comment on a report prepared for it analyzing the desirability of alternative measures for providing financial assistance to participants in NRC licensing cases and other proceedings. Written comments in connection with the possible regulation amendment should be submitted by October 9. to the Secretary of the Commission, Nuclear Regulatory Commission, Washington, D.C. 20555, Attn.: Docketing and Service Sec. Comments should explain and justify whatever positions are advanced.

SOLAR STANDARDS . . . The American Society for Testing and Materials will host an Oct. 14-15 conference in Philadelphia on standards for heating and cooling with solar energy. Leading figures in the field will discuss significant standards aspects of solar energy, including materials and components, design and application, and acceptance of installations.

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Vol. V, No. 26
September 29, 1975

European Buyers Confirm Growing U.S. Consumer Goods Sales Appeal

Consumer products from the United States—adding new competitiveness in price to their distinctive styling, attractive packaging and established high quality and durability—are proving hard to resist at sales counters in Europe's most sophisticated cities.

Six European department and chain stores put the U.S. label squarely in front of their customers at special promotions this year. Five reported outstanding response at the cash register. At the sixth, where results fell short of expectations, store officials encountered adverse local conditions that dampened promotional opportunities.

The sales activity covered a broad range of merchandise: household items from linens and glassware to refrigerators; wearing apparel, including jeans and leisure wear to under garments; cosmetics, sporting goods, tools, and lawn and garden accessories.

The "in-store promotion," as it is called by the sponsoring group in the Commerce Department's Bureau of International Commerce, is intended to open the way for continued expansion of American consumer goods sales around the world.

"Just as we reported earlier this year after a series of department store promotions in Japan and the Far East [see *Commerce Today*, April 28, page 8] there is a currently growing acceptance for consumer products from the U.S. in most parts of the world. The results in Europe offer further confirmation of the trend," commented Roy F. Gootenberg, chief of consumer goods promotions abroad in the Commerce Department.

The major sales successes in Europe were reported from France, Sweden, Spain, Belgium, and Austria. In Italy, a major retail chain found difficulty in a three-week sales campaign held in February and March.

Participating in the European events were the following stores: Galeries Anspach of Belgium, Au Printemps of France, Galerias Preciados of Spain, Nordi ka Kompaniet of Sweden, Kastner & Oehler of Austria, and La Standa of Italy. Together with four promotions held in Japan, this schedule in the first half of 1975 brought the "in-store" program to its highest level of activity so far.

A country-by-country report on the various promotions follows:

Belgium

The April promotion in Galeries Anspach, a Sears, Roebuck subsidiary in Belgium, was indicative of the growing acceptance of American consumer products in Europe. Supported by extensive newspaper advertising, circulars, special show windows, and featuring a wide variety of American products in the 11 stores located throughout the country, the event moved products purchased in the United States for over $400,000. This represented a total that was a 300 percent increase over that of the previous six months buying period. "The promotion was an unqualified success in most of the categories of merchandise," declared M. de Neck, general merchandise manager of Galeries Anspach.

The following products were recorded as best sellers by the store chain: bedding and bath shop items, refrigerators, lawnmowers and garden tools, quality hand tools, sporting goods, furniture, auto accessories, home fashion accessories, wearing apparel.

Accompanying the store promotion was the establishment of Sears catalog desks, the first in Europe. These are projected to sell another $400.000 in American products during the current year. U.S. Ambassador Leonard K. Firestone cut the ribbon inaugurating the Sears' catalog service, which will be actively and regularly promoted.

"In other words, U.S. merchandise has become part of our long term development plans," stated the management of Galeries Anspach. For example, a follow-up promotion is planned for November with a sales goal set at eight times that of the April event.

France

From April 17 through May 10 the 24 department stores of the Au Printemps group in France held an even larger promotion. A total of almost $2 million in American products was sold to French consumers, and the American Embassy commented that the "made-in-U.S.A. in-store promotion . . . was highly successful in every respect." With a widespread sales campaign featuring radio, posters, metro billboards and other advertising, the customers were also attracted by American Navajo Indian performers, films and window displays at the stores.

What sold best? Women's apparel, children's apparel, linens, housewares, men's apparel, glassware, cosmetics and beauty products, novelties and stationery were the consumer products in the best seller category.

To emphasize the importance of this promotion, Printemps did not group all the merchandise in one particular area of the stores, but made attractive, well-identified displays in all the different departments. The store considers that the results were particularly rewarding, and that future sales of U.S. goods will be substantial.

Spain

United States consumer products generally have had an excellent reputation for quality, for attractive packaging and are closely competitive in price in Spain. Galerias Preciados, a leading department store with branches throughout the country, capitalized on this reputation by staging a major promotion of American products in March. This three-week event in 14 stores resulted in sales of more than

Additional information on in-store promotions is carried in the U.S. Promotions Abroad section each month in *Commerce Today*.

Details are available on specific contacts at each of the department and chain stores interested in the purchase of American merchandise including, for example, 25 Japanese stores interested in U.S. Bicentennial promotions. Call or write Mollie Cleveland, Office of International Marketing, U.S. Department of Commerce, Washington, D.C. 20230, 202-967-4705.

IN BELGIUM—*U.S. Ambassador Leonard K. Firestone (right) helped inaugurate the Galeries Anspach Brussels store promotion.*

$2.5 million worth of U.S. merchandise. Preciados created an excellent public response through extensive promotional efforts, using radio, TV, billboards, newspapers and magazines. Spanish consumers turned out to view, among other attractions, a moon rock display, a collection of U.S. state flags, and performances by a United States Air Force band.

The management of Galerias Preciados attributed its sales success largely to the competitive prices of United States products. Best sellers for the home were glassware and decoration articles, towels and linens, upholstery materials, wall clocks and house and garden furniture. Other U.S. products which sold well throughout Spain were blue jeans, cotton undershirts, travel articles, garden tools and accessories, and golf carts.

Sweden

One of Stockholm's leading department stores, A.B. Nordiska Kompaniet, featured eight different categories of American consumer goods during a sales campaign spanning the months of April and May. The store's first two-week theme spotlighted "golf from America," with displays of golf shoes, balls, gloves, and other golfing accessories and equipment. The second promotional theme featured a full range of American textiles, with bedding, towels, and sheets heading the Swedish consumers' buying list. An added feature of this campaign was the opening of a Fieldcrest shop in Nordiska Kompaniet's main Stockholm store. American towels were a sell-out on the opening day of this promotion.

Other themes figuring in the more than half a million dollars worth of American products purchased included men's shirting and accessories, outdoor grills, garden equipment and furniture, cosmetics and related beauty products, and high technology consumer goods such as pocket calculators.

According to Per Hagerman, director of the Nordiska Kompaniet merchandise organization, "The promotion in total must be considered as a success and there is great interest from NK to create a follow up campaign during the spring of 1976." The sales figures during the eight-week period totaled $681,000, and the most successful products were sheets, calculators and men's shirts, in that order. Other products which moved well included the golf equipment, garden furniture and lighting, grills, outdoor games, luggage and beauty aids.

Austria

The city of Graz, Austria, was the scene of an unusual city-wide promotion of U.S. products for a fortnight in April. An in-store promotion was held at the Kastner & Oehler department store. To increase the impact, the U.S. Embassy in cooperation with the Austro-American Society and the local Chamber of Commerce, arranged an "Amerika Days" program featuring commercial, cultural and public relations events. "That these efforts were successful is evidenced not only by the fact that the Kastner & Oehler department store sold over $200,000 worth of U.S. merchandise during the promotion but also by the favorable reaction of the public, the news media and official bodies to the Amerika Days program," reported the American Embassy in Vienna.

In its report, Kastner & Oehler pointed out that almost all products purchased for the occasion were sold during the event. Merchandise that sold particularly well included towels, lingerie, lawn utensils, bedspreads and linens, and leisure wear for men and children. About 85 percent of the 124 supplier firms were new sources to Kastner & Oehler.

A group of five Navajo Indians was brought from Window Rock, Arizona, to participate. The presence of American Indians in the store demonstrating their skills in silversmithing and rugweaving

TELLING THE PUBLIC—*Storefront banner in Madrid and newspaper advertisement in Brussels call attention to U.S. consumer goods promotions. In both Spain and Belgium there were country-wide campaigns supporting store sales using press, broadcast and other means.*

proved to be a great attraction for the public, and the source of front page coverage in the Vienna and Graz newspapers from the day they arrived in Austria. The Navajo group booked substantial orders from private persons and firms which they filled after returning to Arizona.

Twenty-three other retail outlets in Graz also had special sales promotions during the Amerika Days. Featured were electric household appliances, stereo equipment, toys, photographic apparatus, household chemicals, rugs, grassmowers, garden tractors, cosmetics, wallpaper and fabrics.

Highlight of the cultural events was the concert by an Air Force band at the opening day ceremonies. Exhibits of American art were sponsored at the Graz municipal gallery and several banks.

In its summary assessment, the American Embassy declared that the in-store promotion program is "by far the best vehicle for promoting U.S. consumer products in the Austrian market because the local department store will make every effort to find the most competitive merchandise produced in the U.S."

Italy

The promotion in February and March at Italy's La Standa chain of 87 stores proved to be an exception to the European string of sales successes.

The lack of success of this promotion is attributed to several factors. There was a strong downturn in the Italian economy before and during the event. The Italian government had a deposit requirement imposed on importers which increased La Standa's costs and the ultimate prices to the customers. La Standa chose not to mount any kind of extensive advertising campaign because of the general economic crisis. The import deposit requirement has subsequently been revoked.

Future American promotions

The successful European sales experience has contributed to a general developing trend of positive interest by European, Australian and Far Eastern retail outlets in special promotions of American consumer merchandise. Promotions focusing on the United States bicentennial celebration and other Americana themes will be held in the fall of 1975 and the spring of 1976.

They will be conducted in such diverse stores as Nouvelles Galeries of France; David Jones and Grace Brothers of Australia; House of Fraser's Kendal Milne stores in the United Kingdom; Blokker of the Netherlands; a group of 50 stores along the Bahnhofstrasse of Zurich, Switzerland; Takashimaya, Mitsukoshi and Seibu of Japan; Wing On, Shui Hing, Dragon Seed, Sincere and Crane of Hong Kong, among others.

The in-store promotion technique represents the main thrust in the U.S. Department of Commerce's programs to assist American consumer goods manufacturers and suppliers market products abroad. Foreign department and chain stores which hold special promotions of American products are aided by the Bureau of International Commerce and by U.S. Embassies abroad. Certain sales promotion costs are shared through moderate financial support. The Department of Commerce works with buying teams and organizations to assist the stores' purchasing efforts in the United States, and also advises the merchandisers abroad on channels for securing thematic material, Americana and personalities as customer attractions.

IN FRANCE—*U.S. Ambassador Kenneth Rush and Miss Navajo, Mae Begay, watch Navajo silversmith Leo Slim at work in Au Printemps Paris store. The Navajos also appeared at the promotion in Austria.*

DISTINCTIVELY AMERICAN—*Customers in Austria and Sweden caught the American flavor through specially-designed ads and counter displays. The merchandise, too, was chosen to carry out the general theme of the promotion. Several cultural events added to the impact.*

Firms Get Their Money's Worth By Hiring Disabled Employees

The path to job equality is a long, hard pull for the handicapped, but the Vocational Rehabilitation Act of 1973 (which took effect last year) is a giant stride toward that goal.

The Act, which is administered by the U.S. Department of Labor, has mandated that firms obtaining government contracts must hire and promote physically and mentally handicapped people. They are the latest group to be added to "affirmative action" legislation, which already requires that a company bidding on government contracts in excess of $2,500 report on its plan for hiring and promoting women and minorities.

Since World War II, a concentrated effort has been made by private and public agencies to rehabilitate, train and place disabled men and women. "Hire the Handicapped: It's Good Business" is a familiar slogan, promoted by the President's Committee on Employment of the Handicapped. Studies show that handicapped workers have good safety and attendance records. Many of the problems regarding insurance coverage and workers' compensation for the handicapped have been solved.

If this is the case, if these voluntary efforts have met with success, why do disabled people need legal protection?

Adding disabled people to affirmative action legislation is not necessarily admitting that voluntary efforts have failed, according to the President's Committee on Employment of the Handicapped. It does, however, appear that these efforts have not been sufficient. This is especially true in periods of high unemployment, like the present. At such times, the disabled suffer a greater jobless rate than the general population.

The provisions of the Act call for the contractor (in contracts and subcontracts over $2,500) not to discriminate against persons with physical or mental handicaps in regard to any positions for which they are qualified; to take affirmative action to advance them; and to treat them without discrimination in demotion or transfer, layoff or termination, rates of pay, selection for training and a number of other actions.

An amendment to the Act clarifies, among other things, the type of disabled person who falls under its jurisdiction—"qualified handicapped individual"—meaning a handicapped individual "who is capable of performing a particuar job, with reasonable accommodation to his handicap, at the minimum acceptable level of productivity applicable to a nonhandicapped incumbent employee."

The contractor must agree to investigate a complaint of a handicapped individual who feels he or she is being discriminated against, take appropriate action, and maintain the complaint and action record file for three years.

He also must agree to cooperate with the Department of Labor if a handicapped individual files a complaint with that department, and to permit an examination of the pertinent records.

In the case of a contract or subcontract of $50,000 or more, having 50 or more employees, the contractor must prepare and maintain an affirmative action program. He must also inform incumbent and newly-hired employees of the details of the program.

Complete text available

These are just the major points of the law. The complete text of Public Law 93-112 as amended by Public Law 93-516 is available in the *Federal Register* of August 29.

The need for such a law can be understood by studying the relative position of the handicapped in U.S. society.

The 1970 Census sampling found that the estimated 11,265,000 adult men and women who are handicapped and not in institutions have less income, less education, less employment and more poverty than the rest of the population.

Special Week Coming Up

National Employ the Handicapped Week is next week, October 5-11. Proclaimed by President Ford, it is a major promotion of jobs for disabled people. Employers who wish to demonstrate affirmative action for disabled people during this week—and throughout the year—can get more details from: The President's Committee on Employment of the Handicapped, Washington, D.C. 20210 or their local U.S. Department of Labor office.

Lack of opportunity begins early for disabled people. The 1970 Census reports that 14 percent more handicapped than non-handicapped people never went beyond the eighth grade. Seven percent more never went beyond high school. Adequate education is often denied to disabled children, and this lack is a further handicap throughout their lives.

This same lack of opportunity is responsible for the fact that only 42 percent of handicapped adults are employed, compared to 59 percent of the non-handicapped population.

It's one reason that handicapped people were found to have difficulty in crossing the $7,000 a year family income line in 1970.

The Census sampling confirms that handicapped people continue to face serious problems in education, employment and income. Why? Discrimination is one reason; lack of motivation and confidence in themselves is another; and lack of available training and rehabilitation (particularly for the severely disabled) is yet another.

What about employer needs and fears? Adding an additional 11 million people to affirmative action is rather startling.

But many disabled people fit one or more of the minority categories already covered by previous affirmative action programs. Handicapped people are male and female, black and white, rural and urban, skilled and unskilled.

While affirmative action may appear to offer more to the disabled community than to the employer, the employer too can gain significantly. Many employers already familiar with handicapped workers testify to their productivity and value.

E. I. duPont de Nemours and Co., of Wilmington, Del., is a leading employer of the handicapped. A duPont study of 1,452 disabled employees revealed some interesting, and perhaps surprising, facts about job performance, safety records and attendance. DuPont's handicapped employees are working as: craftsmen (562); professional, technical and managerial workers (334); operators (233); office and clerical workers (224); service workers (83) and laborers (16).

The nature of the handicap ranged from nonparalytic orthopedic (415) to total blindness, the smallest group (5).

IT'S GOOD BUSINESS—*Studies have shown that disabled employees have safety, attendance, job stability and job performance records as good as non-handicapped workers.*

Other categories included heart disease, vision impairment, amputees, paralyses, epilepsy, hearing impairment and total deafness. Some employees had more than one handicap.

The results of the study included:

Safety—96 percent of the handicapped employees rated average or better in the area of safety both on and off the job, with more than half above average.

Attendance—79 percent rated average or better than the total duPont workforce.

Job stability—93 percent of the handicapped workers rated average or better than the group at large in regard to turnover.

Job performance—91 percent of duPont's disabled workers rated average or better on performance.

In other areas that prospective employers may be worried about, the duPont study reached the following conclusions:

Special privileges—disabled workers want to be treated as normal employees. In the event that they may require special privilege, such as a parking space near the plant entrance, other workers do not resent it.

Insurance increases—duPont had no increase in compensation costs as a result of hiring the handicapped and no lost-time injuries of the handicapped. A survey conducted by the U.S. Chamber of Commerce and the National Association of Manufacturers, showed that 90 percent of the 279 companies contacted reported no effect on insurance costs as a result of hiring disabled employees.

Workplace adjustments—most disabled employees require no special work arrangements. An entrance ramp or a lowered workbench might be the most needed to accommodate a disabled employee.

The duPont study revealed a surprising correlation between the severity of the handicap and the job performance: amputees, blind persons, paraplegics and epileptics were at the top of the job performance list.

About one-third of those studied had physical handicaps when hired. The remaining two-thirds became handicapped after they had been employed — 91 percent during off-duty hours, 9 percent on the job. The study indicated that those hired with impairments, including all the disabled Vietnam veterans, showed a higher degree of motivation toward good safety, attendance and job performance than did those who became handicapped subsequent to hiring.

Other employers who have had little or no experience in hiring disabled people have taken imaginative steps to promote affirmative action. A major steel company is using a handicapped employee in its national advertising campaign. The effect of this example cannot be minimized—both on disabled people and on other employers.

Some companies have found that by providing ramps at their retail outlets they have not only improved access for employees in wheelchairs, but have also found new customers. Raised, three-dimensional signs are not only useful to blind people, but can be important graphic statements.

Other employees have established close working relationships with handicapped consumer groups, vocational rehabilitation counselors and handicapped placement specialists at employment services.

Just One Break is a nonprofit job placement agency for the handicapped. Located in New York City, it was founded following World War II to assist disabled returning veterans. Since then, it has expanded to include all handicapped adults seeking employment, with no fee charged either employer or job applicant.

In 1974, nearly 50 percent of all applicants interviewed at JOB were placed. Successful JOB placements include such people as:

—A 24-year-old artist, born deaf and with cerebral palsy, who had spent three years trying to put her art training to work. JOB placed her as a designer with a needlepoint manufacturer.

—A woman with a birth defect that confined her to a wheelchair, who doubled her income when JOB placed her as a switchboard operator, from which she was promoted to accounts payable clerk.

In addition to testing and counseling the applicants, the firm's specialists visit the employer at his plant or office before recommending placement to better evaluate and match up the needs of both parties. (A list of disabled job applicants currently available for work in the New York area can be obtained by telephoning the company at 212/725-2500 and asking for a copy of JOB Aids.)

Affirmative action for handicapped peopel can result in advancing social action to the same level as modern medical and rehabilitation techniques.

Affirmative action is an attempt to break the pattern of lower education, employment and income that limits the handicapped. Ideally, it will have a domino effect, encouraging more employers to hire and promote disabled people as a regular part of their workforce, and encouraging more disabled people to move into the job market through training and education.

Affirmative action is an optimistic effort to incorporate disabled people into the American mainstream.

Economics Of Offshore Oil Search Detailed In Reports By Sea Grant Scientists

If the price of oil stays at $11 per barrel, four-fifths of the petroleum reserves of the Atlantic outer continental shelf would probably be developed.

If the price drops, the amount of oil available to Americans will be less—and the lower the price, the less oil available.

This simple economic prediction was worked out by Dr. Robert J. Kalter, leader of a Department of Commerce team of Sea Grant economists at Cornell University. With the higher price, he says, there would be economic incentive to extract about four-fifths of the recoverable reserves, but if the price drops to about $8 per barrel, investment costs would preclude drilling for such a large fraction of the reserves.

Working under grants from the Commerce Department's National Oceanic and Atmospheric Administration, scientists at Cornell University and the University of Delaware examined the economics of exploiting the oil and natural gas resources of the Atlantic outer continental shelf and analyzed its landward impact.

The Cornell study considers the entire U.S. Atlantic shelf, projecting probable costs of oil and gas recovery, assessing the Federal Government's current offshore leasing policy and resource management procedures, and indicating the impact that might result from the adoption of some suggested alternative leasing plans. The University of Delaware report complements the Cornell analysis by analyzing the economic and ecologic impact of oil exploration on the State of Delaware.

Potential rewards, risks

Although the resource potential of the 100,000-square-mile plateau may be considerable—some estimates put the recoverable petroleum deposits at between five and 20 billion barrels of crude oil and between 25 and 100 trillion cubic feet of natural gas—the economic risks of developing them are just as substantial.

The report estimates that less than 10 percent of exploratory wells would be successful in locating commercial hydrocarbon deposits. In economic terms, this means that on the average at least nine exploratory wells would have to be drilled at a total cost of more than $24 million for each oil-producing reservoir discovered. It is anticipated that fully exploiting such a reservoir would cost an additional $83.4 million over a 15-year period. However, each reservoir could produce between 17,000 and 55,000 barrels of oil per day during its peak production period.

In addition to exploration costs, water depth will be a major factor affecting developing of outer continental shelf petroleum reserves, the Sea Grant study groups report. Because of limitations in present offshore technology, it is not economically feasible to drill in water deeper than 1500 feet. However, the two most potentially productive areas on the Atlantic shelf—Georges Bank off the New England coast and the Baltimore Canyon Trough off the New Jersey-Delaware coast—are in water that is considerably shallower, averaging about 300 feet.

Because the Baltimore Trough lies so close to Delaware—its western edge is only 40 miles offshore—and because it appears to be one of the most attractive sites for exploratory drilling, the University of Delaware decided to study the area.

The Delaware Sea Grant group, headed by Joel M. Goodman, sought to determine not only the oil and gas potential of the Trough but also onshore effects including the sizable population buildup resulting from the construction and maintenance of an estimated 21 offshore drilling rigs.

"Under reasonable circumstances," Goodman says, "we can expect that peak offshore drilling activity would be reached by about 1980 and continue through 1985." The result, he estimates, would be a population increase of 15,000 people involved in direct support of drilling and a total population increase for all petroleum-based activity of about 60,000.

It is not likely that all 60,000 people would locate in Delaware, however. "If drilling does occur, we anticipate that land-based activity would be spread out along the coasts of New Jersey, Maryland, Delaware, and Virginia," Goodman notes, "with an increase to Delaware of about 15,000 workers and their families."

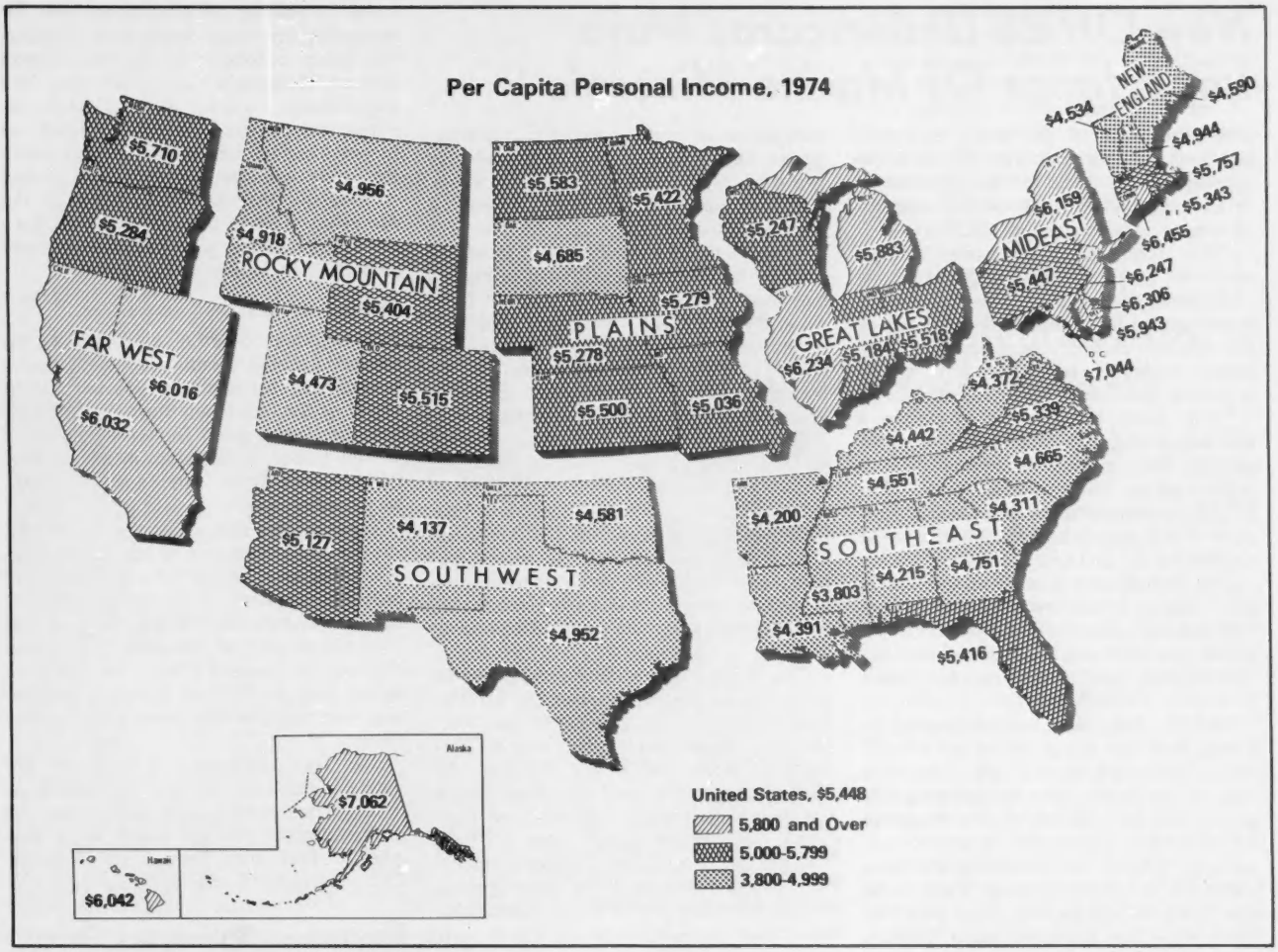
One result of such a population buildup would be an increased burden on coastal counties and municipalities for public services such as schools, roads, and sewers, along with an estimated 3,800 more dwelling units. Helping to offset this demand on local governments would be the likelihood that the average income of the new labor force would be an estimated two to three thousand dollars per year higher than the state's average.

The Delaware report suggests that the coastal threat of oil spills will be minimal because of both stricter regulations on drilling procedures and the rigs' great distance from the shore. It cautions, however, that population changes, shore-based storage facilities, pipeline routes, and modification of harbor facilities will intensify Delaware's already acute environmental problems unless careful planning is done for onshore development.

How much is there?

How much oil and gas actually can be recovered from the Atlantic outer continental shelf no one knows for sure, but based on the geological history of similar areas the Cornell Sea Grant group concludes that economic and physical factors—including drilling depth, climate, dry hole risks, and distance from shore—will limit production from the Atlantic shelf reserves to about 4.5 billion barrels of crude oil, 33 trillion cubic feet of natural gas, and one billion barrels of natural gas liquids and condensate, from 1976 to 2019. In 1974 alone, the United States consumed more than 5.4 billion barrels of petroleum for fuel and about 20 trillion cubic feet of natural gas.

Single copies of the Cornell report, *Atlantic Outer Continental Shelf Energy Resources: An Economic Analysis*, are available free from Dr. Robert J. Kalter, 445 Warren Hall, Cornell University, Ithaca, N.Y. 14850. Multiple copies, at $1 each, may be ordered from New York Sea Grant Institute, State University of New York, 99 Washington Ave., Albany, N.Y. 12210. The University of Delaware report, entitled *Decisions for Delaware: Sea Grant Looks at OCS Development*, may be obtained for $3 from Sea Grant Communicators Office, College of Marine Studies, U. of Delaware, Newark 19711.



Personal Incomes Gained In '74, But Consumer Prices Kept Pace

While personal per capita incomes increased in 47 of the 50 states last year, consumer prices rose faster in all but ten states, wiping out much of the gains.

Per capita personal income in the United States during 1974 ranged from $7,062 in Alaska to $3,803 in Mississippi, while the overall U.S. average was $5,448. According to Commerce's Bureau of Economic Analysis, per capita income gained the most during 1974 in Alaska (19 percent), Idaho (13¼ percent), and Louisiana and Washington (11½ percent each). These gains compare with national increases of 8½ percent for per capita personal income and 11½ percent for consumer prices. Per capita income declined in South Dakota (5 percent) and North Dakota (3 percent), and was unchanged in Iowa.

Total personal income rose in 47 states and the District of Columbia and fell in three states. In 32 states and the District of Columbia, personal income increased at a slower rate than consumer prices. For the nation, total personal income rose 9¼ percent, and consumer prices rose 11½ percent; thus, real income was off about 2 percent.

Gains in personal income exceeded the national rise in consumer prices in only ten states—Alaska, Idaho, Washington, Wyoming, Florida, Oregon, South Carolina, Louisiana, Arizona, and Kentucky—where advances ranged from 21½ percent to 11¾ percent.

Standoff states

In eight states—Maine, California, Hawaii, Virginia, North Carolina, Texas, Colorado, and Utah—gains in income ranged from 11½ to 10¼ percent, about the same as, or slightly less than, the rise in prices.

In 29 states and the District of Columbia, gains ranged from 2½ percent to 10 percent.

In the remaining three states—Iowa, North Dakota, and South Dakota—total personal income declined from one-half of 1 percent to 4¾ percent.

Nonfarm income nationally grew 10¼ percent during 1974, with increases in the states ranging from 6¾ percent in Rhode Island to 21½ percent in Alaska.

Ten of the eleven states where nonfarm income gained at rates well below the national average are located in the three usually slow-growing regions in the East and North: New England, Mideast, and Great Lakes.

Faster growers

Of the 27 states where nonfarm income grew at a pace well above the national average, all are located in the South and West, regions of the country which have usually grown faster than the national average.

Among the fast-growing states, sharp gains in mining income were registered in Alaska, Wyoming, New Mexico, Montana, Kentucky, Texas, and Tennessee. In Florida, Arizona, and New Mexico, large gains occurred in service-type industries, because the states continued to attract new residents and vacationers.

New Office Underscores Major Importance Of Marine Minerals

The importance of the oceans as potential soures of minerals has led to establishment of an Office of Marine Minerals in Commerce's National Oceanic and Atmospheric Administration (NOAA).

"The development of marine mineral resources of the deep ocean and of the continental shelf will become increasingly important to the economic well-being of the United States," Secretary of Commerce Rogers C. B. Morton said in announcing creation of the new office.

"This must be done in an environmentally sound manner and in a way that permits U.S. industry to move into this activity in an efficient way. To do this, NOAA is embarking on an expanded program which will bring together the broad capabilities of NOAA."

The new office will serve as focal point for NOAA's expanding programs in marine minerals. It will have planning, coordinating, and certain operational responsibilities, and will promote liaison with other Federal agencies.

Amor L. Lane has been designated as Acting Director of the Office, which will begin functioning immediately. Lane was head of the Non-Living Resources activities in NOAA's Office of the Associate Administrator for Marine Resources.

A new effort to be launched is the Deep Ocean Mining Environmental Study to be conducted in the current fiscal year for which $3 million was included in NOAA's budget now before Congress. This study will assess the pre-mining environment of selected manganese nodule mining areas in order to be able to predict the environmental effects of ocean mining.

In addition, in the current fiscal year mineral resource-related programs will be sponsored by NOAA's Office of Sea Grant at a level of approximately $750,000, with matching funds included.

Aerial Surveys Reveal Possible Commercial Mineral Deposits

Aerial radioactivity surveys indicate possible concentrations of heavy minerals with commercial applications in the southeastern section of Georgia. The findings have been backed up by preliminary ground checks and samplings.

A series of maps has been prepared by the Coastal Plains Regional Commission depicting in contour the total radioactivity of the areas covered by the surveys and suggesting areas that might warrant further investigation.

Preliminary findings indicate that concentrations of various titanium minerals, zircon, and monazite are present and may prove to be of significant economic value. Titanium minerals are used in making pigments, and are important for the production of titanium metal which is widely used in the aircraft industry and in marine hardware. Zircon is used in mineral form as a foundry sand. Zirconium and hafnium, used in nuclear reactors, are extracted from zircon. Monazite is an important source of rare earth elements and also contains uranium and thorium.

Scientists note that such aerial surveys do not actually reveal mineral deposits; rather, they reveal only the differences of concentrations of radioactive minerals. Detailed investigations of the kinds of minerals present, the actual concentrations, and the thickness of deposits are needed to determine the actual extent of such deposits and their potential economic value.

The maps are available for review or purchase at: U.S. Geological Survey National Center, Room 1C-101, Reston, Va.; Georgia Department of Natural Resources, Earth and Water Division, 19 Hunter Street, SW., Atlanta, Ga.; North Carolina Department of Natural and Economic Resources, P.O. Box 27687, Raleigh, N.C.; and the Division of Geology, South Carolina State Development Board, Harbison Forest Road, Columbia, S.C.

Fire Prevention Planners To Meet For First Time

The nation's leading experts on fire prevention will be getting together soon to discuss major fires that didn't happen.

The first major conference on master planning for fire protection will be held Oct. 28-30 in Orlando, Florida. Howard D. Tipton, Administrator of Commerce's National Fire Prevention and Control Administration, says that more than 300 key planners in the fire safety field are expected to attend.

"This three-day conference," he said, "will provide a dialogue of information on master planning techniques for fire prevention and control. And, it will give the conferees a unique opportunity to learn first-hand the importance and some of the 'how-to's' of developing master plans for fire protection."

The Orlando conference plans were developed following a NFPCA-sponsored study to develop effective procedures for instituting fire protection master planning. The study, conducted by the Los Angeles City and Mountain View, California, Fire Departments, resulted in a validation experimental project now being carried out in ten locations across the country. Both the study and the demonstration project pointed out the need for leaders in the fire safety field to come together to learn the recommended planning methods and to participate in unraveling problems.

Further studies

Two other NFPCA study/grants on master planning methodology—the Oklahoma study for small rural areas by the Office of the Oklahoma State Fire Marshal and the Illinois grant for state level study by the Illinois State Department of Local Affairs—will figure prominently in conference discussions.

Orlando was selected as the conference site to allow attendees to take a behind-the-scenes tour of the Disney World fire protection system. This system, one of the first in the world to be designed and executed as part of the architectural and engineering plans of Disney World, is an outstanding example of how master planning can improve fire safety and cut fire losses.

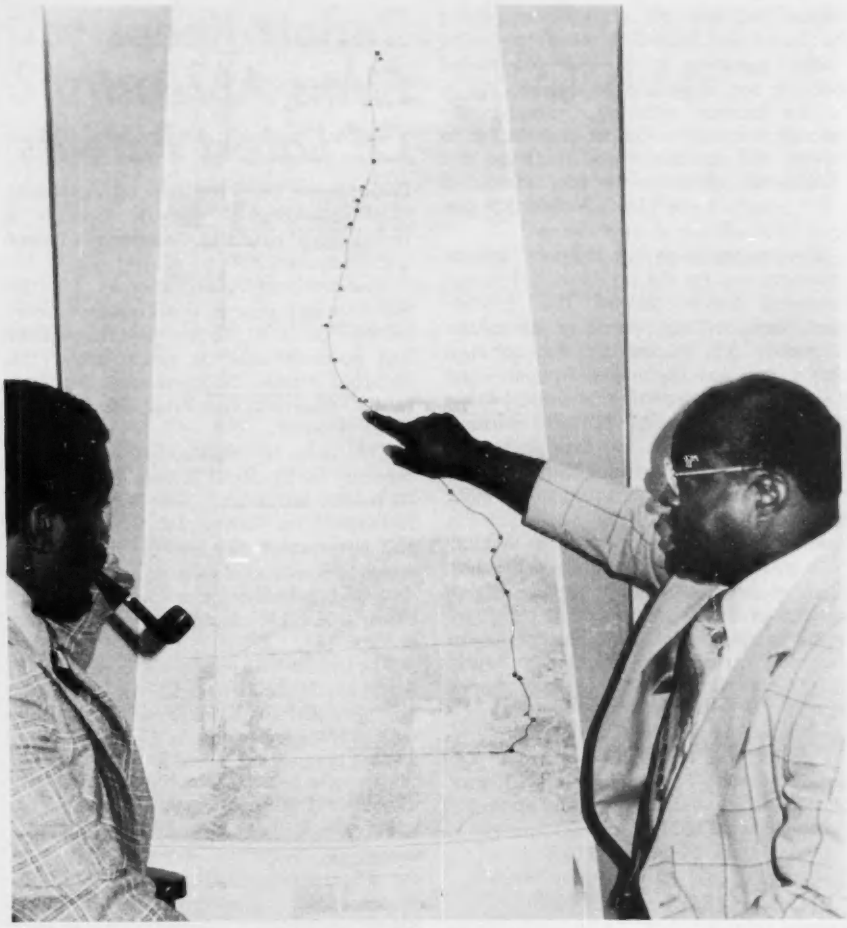
The free conference is open to the public. Interested parties are asked to send their names and addresses for pre-registration to Capt. James Kolb, Los Angeles City Fire Dept., Los Angeles, Calif. 90012 (213-485-5955).

Engineers, Surveyors Get Needed Data More Quickly

Essential land measurement data will be available to engineers and surveyors much more quickly under a recently-introduced method of processing land measurement data by Commerce's National Geodetic Survey. The Survey can now feed the information directly into its central computer through terminals connected to telephones.

The new data automation system is now being tested in the field and in the near future the results of field work should be available for use by local surveyors and engineers within several weeks of a project's completion. In the past, this normally took many months, since hand computations were necessary before the data could be checked, verified and approved for use in states and local communities.

Under the new method, upon completion of field work, all data will be stored in the central computer at Survey headquarters and will be available immediately to office personnel there for insertion into the national networks of distances and elevations maintained by the Survey. The Survey's data provide the basis for all accurate land measurements in the nation.



NORTH TO THE ALYESKA PIPELINE—*Leroy Tombs (right), president of Tombs and Sons, Inc., a minority-owned catering service, shows Hyman Jarrett, OMBE Kansas City, Kan., field director, where he is providing food and other service on the Alyeska Pipeline.*

Minority Firm Awarded Contract To Feed Workers On Alaska Pipeline

A multimillion dollar subcontract to perform feeding, housekeeping and related services at one of 10 construction camps along the Alaska pipeline has been awarded to a retired black Chief Petty Officer who served as a Navy mess steward for 23 years.

Leroy Tombs, of Bonner Springs, Kansas, retired from the U.S. Navy and returned to his hometown to establish, with two sons, a catering and custodial firm—Tombs and Sons, Inc. The latest in a series of business ventures carried out by Tombs is this Alyeska Pipeline contract with Greyhound Support Services, a subsidiary of the Greyhound Corp.

Greyhound is the prime catering contractor for the construction camps south of the Yukon River. Tombs and Sons will serve the Glennallen camp.

In addition to this latest contract, during the past two years Tombs and Sons has been awarded a $1.5 million contract for kitchen police (KP) work covering 23 mess halls at Ft. Riley, Kansas, and another contract for $969,000 covering 14 dining facilities at Ft. Leonard Wood, Missouri.

His firm employs some 1,200 people. Tombs attributes his success to making each employee realize that he considers every cook and dishwasher an important member of the company.

Tombs credits Commerce's Office of Minority Business Enterprise with being instrumental in coordinating the contract negotiations between himself and Greyhound. OMBE and the Small Business Administration provided assistance that helped him acquire banking and bonding, which he considers the most challenging obstacles for the minority businessman or woman. Hyman L. Jarrett, Kansas City field director of OMBE, has worked closely with Tombs for the past several years.

Tombs was named the 1974 Kansas Small Businessman of the Year by SBA.

In addition to his catering service, he also does consulting work in restaurant and custodial operations around the country at such varied locations as California, Virginia, Texas and Colorado.

Advisors Will Help Minorities Boost Exports

Minority-owned U.S. manufacturers will try to expand their foreign sales with the help of an international business consulting firm hired by Commerce's Office of Minority Business Enterprise.

"U.S. exports are now at record levels," according to OMBE Director Alex Armendaris, "but until now relatively few minority firms have developed an export business. We know that many minority firms have the capability to compete successfully in foreign markets."

Armendaris explained that officials of most minority firms are not fully aware of how profitable exports can be, nor are they familiar with the international marketing services available for the asking from the Commerce Department.

Under terms of the OMBE contract, Rockville Consulting Group of Rockville, Md., will author a comprehensive international trade handbook designed specifically for minority firms with no export marketing experience.

In addition, the consultants will provide direct assistance to minority firms considering participation in trade promotion events such as exhibits at United States Trade Centers abroad and Catalog Shows in foreign markets. The consulting firm will also help organize and promote a special European exhibition of American Indian products.

The $123,000 OMBE award is scheduled to run over a 12-month period.

The current contract is a continuation of OMBE's campaign to assist minority firms interested in exporting. Its first efforts were directed toward identifying minority companies that had the capability to compete internationally.

Criteria for selection included a proprietary product or product line, adequate financial resources, a desire to engage in foreign trade and annual sales in excess of $500,000. Approximately 50 firms around the country were identified.

OMBE's second phase involves matching products of the firms with potential buyers in Europe, Japan, Brazil, Venezuela and Mexico. Work on this phase of the project continues.

Most States Had Revenue Surpluses For Fiscal 1974

Forty-six of the fifty states operated in the black during fiscal 1974. All except Alaska, Hawaii, Maryland and Massachusetts reported taking in more money than they paid out that year.

Revenue collected by state governments from all sources rose by 8.4 percent to total almost $140.8 billion in fiscal 1974. and expenditures were up by 11.2 percent, to more than $132 billion.

Commerce's Bureau of the Census reports that aggregate state revenue exceeded expenditures by $8.6 billion, lower than the $11 billion excess in fiscal 1973. The report attribues this mainly to strong inflationary pressures, the recession, and direct assumption of basic welfare payments to aged, blind, and disabled recipients by the Federal Government on Jan. 1, 1974.

Taxes provided $74.2 billion, or 60.7 percent of the total of state general revenue, up 9 percent from the 1973 total. Included in the tax revenue were general sales and gross receipts taxes which provided $22.6 billion, followed by the sales tax on motor fuel, $8.2 billion. Tobacco sales tax collections were $3.3 billion, taxes on alcoholic beverages totaled $1.9 billion, and motor vehicle license taxes, $3.5 billion. The yield from individual income taxes, imposed by 44 states, totaled $17.1 billion, up 9.6 percent from 1973. Corporate net income taxes amounted to $6 billion in 1974, or almost 11 percent higher than the previous year.

The 50 states spent more on education than for any other function in 1974. Of $119.9 billion included in general expenditure, $46.9 billion went to education, a rise of 12.6 percent from 1973. Expenditure for public welfare increased 4 percent to $22.5 billion, and spending on highways rose 5.5 percent to $15.8 billion. Expenditures for hospitals, the fourth major state function, rose 13.3 percent to total $6.2 billion in 1974.

Single copies of the report, *State Government Finances in 1974*, GF-74, No. 3 may be obtained for $1.40 from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402 or from Commerce District offices in major U.S. cities.

Nonfinancial Corporations' Productivity Up 9.5 Percent

Productivity in nonfinancial corporations increased by 9.5 percent, at a seasonally adjusted annual rate, in the second quarter of 1975, according to Bureau of Labor Statistics figures. The nonfinancial sector includes all corporations doing business in the United States except banks, credit agencies, stock and commodity brokers and insurance companies.

The increase reflected an equal percentage increase in output and decline in hours, and was the largest since the first quarter of 1971. In the first quarter of 1975, productivity had increased 3.9 percent in nonfinancial corporations.

Revised measures for the total private economy and for the nonfarm and manufacturing sectors showed that productivity increased 4.3 percent in the private economy, 5.8 percent in the nonfarm sector, and was unchanged from the first quarter in manufacturing, at annual rates. These were the largest quarterly increases in productivity since the first quarter of 1973 in the total private economy, and the largest since the first quarter of 1971 in the nonfarm sector.

Hourly compensation (which includes both wages and supplements) in the nonfinancial corporate sector increased 7.8 percent in the second quarter, compared with an increase of 12.2 percent in the preceding quarter. The increase in hourly compensation, coupled with the larger increase in productivity, resulted in a 1.5 percent decline in unit labor costs, following an increase of 7.9 percent in the preceding quarter. This was the first quarter of decline in unit labor costs since the first quarter of 1971.

Price Rises Offset 1974 Household Income Increase

Median income of U.S. households in 1974 was $11,100, an increase of about 6 percent over the 1973 median of $10,500, according to Commerce's Bureau of the Census. However, in real purchasing power, the 1974 median declined about 5 percent because of an 11 percent rise in prices between 1973 and 1974, a new Bureau report shows.

Income of households differs from family income because of the distinction between families and households. Households are made up of either related or unrelated persons, or may contain only one person; families are composed only of related persons.

Of 71.1 million total U.S. households, 6.8 million (9.5 percent) had incomes of $25,000 or more, about 26 percent of the aggregate money income in 1974. Another 16.8 million households (23.7 percent) had incomes between $15,000 and $25,000 and received 35 percent of the aggregate income. At the other end of the ladder, 15 million households (21.1 percent) had incomes under $5,000 and received about 5 percent of the total income.

Report Keeps Firms Abreast Of Latest Patents

Businessmen can keep tabs on expanding U.S. technological activity through a recent report issued by Commerce's Patent and Trademark Office.

The two-part report presents, for the first time in a general publication of Commerce's Office of Technology Assessment and Forecast, data on patent activity in 36 broad product categories corresponding to the Standard Industrial Classification (SIC) system.

This data, the product of work sponsored by the National Science Foundation, represents an entirely new source of information for economists, industrialists and government planners — information which permits comparison of economic data and technological output data across nearly the whole spectrum of current technology.

The report also reviews the patent activity in 56 technological areas experiencing either high rates of growth or unusually heavy patenting by residents of foreign countries.

Special reports

Three of these—color electrophotography, gas lasers and prostaglandins—are the subjects of special substantive reports prepared by patent examiners in those respective fields. Prostaglandins are a very fast developing area of technology relating to a new class of drugs which are among the most potent pharmaceutical agents known to man.

In releasing the report, Commissioner of Patents and Trademarks C. Marshall Dann commented, "The Technology Assessment and Forecast program, its publications and services, are part of the Patent and Trademark Office's continuing effort to broaden the benefits of the patent system—to bring to all those who have need of it the wealth of technological information and data that the system generates.

"With this publication we take one more step toward this goal. It is our hope that by making patent data available in categories comparable to the Standard Industrial Classification, which is the basis of most economic data collection, we are providing a useful new tool to those seeking to study the interactions between technology and the economy," Commissioner Dann said.

Copies of "Fifth Report, August 1975" are available for $6.25 from the National Technical Information Service, U.S. Department of Commerce, 5285 Port Royal Road, Springfield, Va. 22161. Ask for COM 75-11142.

Use Of Manufacturing Capacity Stayed Sluggish In 2nd Quarter

Despite several indications of improvement elsewhere in the economy, the use of its manufacturing capacity by U.S. industry did not rise in the second quarter.

Manufacturing capacity was utilized at an overall rate of 75 percent in June, according to a just-released survey conducted by Commerce's Bureau of Economic Analysis. This is the same as the rate reported for March and the lowest since the survey was begun in 1965; it is 3 points below the December rate and 9 points below the level maintained in March, June and September of 1974.

Although the overall rate was unchanged from March to June, there were sizable offsetting changes among individual industries.

Durables down

Most durable goods industries, except motor vehicles, reported decreases in operating rates from March to June, partly reflecting the continued weakness in the demand for capital goods. All nondurable goods industries reported rates stable or higher.

A pickup in output of new cars resulted in higher June operating rates in the motor vehicle and rubber industries; motor vehicles increased 7 points to 80 percent and rubber increased 9 points to 74 percent. Textiles increased 7 points to 76 percent, reflecting an improvement in the demand for apparel and household furnishings.

Partly offsetting these increases was a 10 percent drop in primary metals, due primarily to excess steel inventories being worked off. The aircraft industry reported a 4-point decline from March to June; it had reported a similar decline in March. Smaller declines (2 points) occurred in the electrical and nonelectrical machinery industries; stone-clay-glass—at 67 percent—was little changed from March.

Food-beverage and paper reported 2-point increases. Petroleum and chemicals reported no change.

Offsetting trends

The utilization rate for large firms (assets of $100 million and over) was 1 point lower in June. Medium- and small-sized firms reported offsetting increases of 2 points.

Primary-processed goods industries as a group operated at 73 percent of capacity in June; this was a 2-point decrease from March and mainly reflected the decrease in primary metals. Advanced-processed goods industries rose 1 point to 76 percent.

The survey — conducted quarterly — asks manufacturers for actual and preferred rates of capacity utilization for the last month of each quarter. The survey has been conducted annually since 1965 and quarterly since 1968.

Handbook Helps Companies Improve Product Safety

A handbook outlining a step-by-step method which companies may follow to implement their own product safety policy and procedures has been published by the U.S. Consumer Product Safety Commission.

The *Handbook & Standard for Manufacturing Safer Consumer Products* was developed by John J. Riordan, an authority on product assurance technology and a consultant to the Commission.

The handbook provides a clear guide for large and small companies seeking to establish procedures that insure the design, production and distribution of safe consumer products. It makes recommendations for executive action which include a public statement of commitment to product safety and assignment of a product safety manager at the executive level.

Technical recommendations focus on design review, the identification and evaluation of potential hazards, including hazards associated with use and abuse; documentation of any changes in design, materials or production that could affect safety; purchase control to make sure that suppliers are providing safe components; safe production practices; maintenance of records, including those required by law and others that would facilitate product recalls; and product safety audits to determine whether the system is functioning successfully.

Single copies are available at no cost from the U.S. Consumer Product Safety Commission, Washington, D.C. 20207. Additional copies may be purchased from the Superintendent of Documents, Washington, D.C. 20402, $1.50 per copy, stock number 052-003-00103-9.

Calendar For Businessmen

Oct. 6-7—Washington — New Developments in Natural Gas Curtailment conference, Sheraton-Park Hotel. For information, Executive Enterprises, Inc., 10 Columbus Circle, New York 10019 (212-489-2680).

Oct. 6-7—Houston—Risk Management of Oil and Gas Exploration seminar, Holiday Inn-Downtown. Sponsor, The Wharton School, Univ. of Penna. For information, Ms. Heidi Kaplan, Dept. 14NR, New York Management Ctr., 360 Lexington Ave., New York, N.Y. 10017 (212-953-7262).

Oct. 6-8 — Milwaukee — Quality Audit-Development & Administration course, New Milwaukee Inn. For information, American Society for Quality Control, 161 W. Wisc. Ave., Milwaukee, Wisc. 53203 (414-272-8575).

Oct. 8-10 — Washington — Managerial Decision Making seminar, Georgetown Univ. For information, Continuing Management Education — SSCE, Georgetown Univ., Washington, D.C. 20057. (202-625-4353).

Oct. 9-10 — New York — First Annual Library Microform Conference, The Biltmore Hotel. Sponsors: Microform Review and American Library Assn. For information, Microform Review Inc., P.O. Box 1297, Weston, Conn. 06880.

Oct. 14-15—Philadelphia—Conference on Standards for Solar Heating & Cooling, American Society for Testing & Materials headquarters. Sponsors: ASTM, American National Standards Institute and others. For information, Walter Cropper, ASTM, 1916 Race St. Philadelphia, Pa. 19103.

Oct. 14-16—Gaithersburg, Md.—Symposium on Procurement of Medical Equipment & Supplies, Administration Bldg., National Bureau of Standards. Sponsors: NBS, Veterans Admin. For information, Ted Fody, NBS (301-921-3171).

Oct. 14-16—Philadelphia—Women: Developing Their Role in Management, Drexel Univ. For information, Continuing Professional Education, Drexel Univ., 32nd & Chestnut Sts., Philadelphia Pa. 19104 (215-895-2154).

Oct. 15—Covington, Ky.—Energy Conservation Workshop, Quality Inn—Riverview. Sponsors: No. Kentucky Chamber of Commerce and Commerce Memphis District Office. For information, 901-534-3213.

Oct. 15-17—Washington—Employee Motivation seminar, Georgetown Univ. For information, Marie Skogland, Continuing Mgt. Education—SSCE, Georgetown Univ., Washington, D.C. 20057 (202-625-4353).

Oct. 19-21—Carmel, Calif.—Facsimile Update, The Highlands Inn. For information, Institute for Graphic Communication, 375 Commonwealth Ave., Boston, Mass. 02115 (617-267-9425).

Continuing Popularity Of U.S. Catalog Shows Abroad Attests To Low-Cost User Benefits

"All this for about the cost of taking one client to dinner." A businessman's observation about the Catalog Shows staged abroad by the Commerce Department's Office of International Marketing helps explain their continuing popularity.

"All this" in the case of the catalog exhibitions includes quite a bit more than a display stand or table and walls to keep the weather out. It covers personal invitations to selected potential buyers, notices in trade and industrial publications, the service of an industry technical specialist from the United States, assistance of U.S. Commercial Officers in locating reliable local agents, and reports on the local market situation.

What is the upshot for participants? In one of this year's events, for example, focusing on metalworking equipment, 215 U.S. firms sent their catalogs to Manila. Every one of these firms received trade inquiries as a result—more than 10,500 leads in all.

Not every display—there were 23 in fiscal 1975—produces such 100 percent interest, but about 85 to 95 percent of the participants usually draw leads worth pursuing, according to Robert E. Peterson, who heads the program for the Commerce Department.

For the metalworking equipment event in Manila, the U.S. Embassy sent written invitations and a 48-page show directory to some 2,000 individuals and organizations, including the full membership of the Philippine Machinery Dealers Association, the major trade organization of the metalworking equipment distributors. Telephone calls and press releases also helped spread the word.

The background and experience of the show's industry specialist, John A. Connor of the National Machine Tool Builders' Association, enabled him to advise high-level visitors on a variety of technical matters. Connor visited several industrial plants that are major users of machine tools. In his final report to the Commerce Department, he highlighted the types of machinery likely to have the highest trade potential in the Philippine market. After the close of the show, each participating firm received a list of visitors who had inquired about any of its products.

Following an exhibition, the catalogs are transferred to the area U.S. Foreign Service post's Commercial Library for ongoing use by prospective buyers. The post's economic and commercial officers continue their assistance to participating firms in expanding sales and locating reliable agents. They also conduct market research to find other products for future events. Beginning with exhibitions currently scheduled, each participant will receive a copy of the industry specialist's final report.

Firms participating in catalog shows range from very large—for example, General Electric, 3 M, DuPont—to very small. New-to-market or new-to-export firms find them useful, especially in undertaking specific and effective sales programs in developing countries. Most of these firms need low-cost approaches to testing salability of their products or services.

"We are a new (five years old) and relatively small ($5 million annual sales) company in the nuclear medical field, specializing in invitro isotopic assays," wrote Alan R. Garfield, marketing vice president for Nuclear Medical Laboratories, Inc., Dallas, a participant in several shows. "We have made a significant penetration in the U.S. market and now are attempting to secure worldwide penetration. Your shows have generated numerous leads which we are in the process of following up at present. They certainly should result in opening the European market for our products."

J. W. Lissenden, product manager for Classic Products International, Camden, N.J., who says his company has participated in "quite a few" catalog shows, adds, "We have gotten interesting leads and have pursued them to obtain more business."

U.S. firms already established in the market also utilize these displays for additional product exposure and as an aid to their local representatives, and they frequently uncover new paths to prospective buyers. After an exhibition in Lebannon last spring, Gary H. Williams of General Electric wrote: "Your catalog exhibitions, specifically the communications equipment catalog exhibit in Beirut in March, have proven very beneficial and profitable for our organization."

A total of 107 participants have signed up for a pollution control equipment catalog show in Madrid Oct. 13-18; 80, for one on food processing equipment in Utrecht Oct. 20-25. The Utrecht display will be sent on to Antwerp for a repeat showing. Others coming up in the near future, according to Peterson, are: scientific, medical and industrial instrumentation, India, in February; health care services, South Africa, March; "American Book World," Kenya and Liberia, March; and building and construction equipment, Honduras, Panama, and Nicaragua, also in March.

For additional information, contact the nearest Commerce District Office, or call Peterson on 202-967-3973.

PLANNING BY CATALOG—*During U.S. catalog exhibition of hospital and health care equipment in Buenos Aires, business visitors looking for products to meet their needs were assisted by Dr. Jesus de la Huerga (right) of Chicago, the show's industry specialist.*

Mission Finds Iran, Egypt Tooling Up At Varying Rates

U.S. machine tool producers will find that Egypt, on the threshold of expansion of its industrial base, has favorable market prospects over the long term, while Iran, in an economic boom period, provides a large market now. So reported a recent trade mission sent to the two nations by the National Machine Tool Builders' Association.

The 12-member mission noted that Egypt has launched high-priority programs for commodity imports, multi-billion dollar plans for reconstruction of the Suez Canal area, and extension of industrial capacity.

In the group's discussions with leaders of government and industry, the Egyptians emphasized their desire for joint ventures with U.S. machine tool manufacturers aimed at producing for both the local market and for export. As most U.S. tools are too advanced and too costly, there is interest in producing "tools that might be considered obsolete in highly industrialized countries." Egypt is currently making certain presses, lathes, surface grinders, and circular sawing machines. Of the several plants visited, all but one—the Helwan Foundry, scheduled to go into production in October—are equipped with Eastern European tools. Helwan is interested in entering joint ventures with U.S. companies for production of a broad range of simple machine tools.

As for Iran, the many projects carried out by American and Iranian interests offer outstanding immediate sales opportunities to U.S. suppliers. The country's GNP growth rate, currently one of the highest in the world, has led to an urgent need for trained manpower, however. American firms that can offer complete project development packages which emphasize training of Iranian workers and eventual local management control will find authorities more receptive to their proposals, according to the mission report. Also, because of Iran's desire to establish an export base for the products it manufactures, an effort is being made to incorporate some barter into the payment terms on some contracts.

During a visit to the Iranian State Railways, the mission was briefed on plans for overhaul and expansion of the system—to provide a link with Afghanistan, to extend trackage by adding other lines and by upgrading many lines from one track to two. Two diesel locomotive repair facilities now exist; a third is to be built near Tehran, and ten regional repair shops are planned. The need for equipment for these facilities is most urgent, and a delegation is expected to come to the United States to talk with potential suppliers, the mission found.

The Iran Tractor Manufacturing Company is tooling up to produce 5,000 Massey-Ferguson tractors in 1976-77, and is interested in receiving literature from companies that build machine tools used in the manufacture of diesel engines.

Throughout its visit, the mission was told that many U.S. companies have inadequately followed through on their sales proposals. "U.S. and German machine tools are held in highest esteem in Iran," the report noted, "with Japanese and other EEC-nation machines in second rank. . . . Because of relatively weak U.S. sales efforts, the German machine tool industry has been able to capture much of the market for high-quality products."

In November 1976, Commerce will sponsor a machine tool catalog show at Iran-Tool, a specialized exhibition in Tehran, for which NMTBA will provide the industry expert. According to the association, more than 50 tool builders have already agreed to participate in this event. The show will be a "preview of coming attractions" for a major solo exhibition of machine tools at the Tehran fairgrounds in November 1977, sponsored by NMTBA.

Czechoslovak Visit Signals Expanded Business Potential

Representatives of the U.S. and Czechoslovak Chambers of Commerce will sign a milestone agreement in Washington, D.C., establishing a Joint Economic Council between the two countries next month.

Designed to facilitate business contacts and the exchange of commercial information between the United States and Czechoslovakia, the Council is the first of its kind between the two countries, and parallels similar bodies already established between the U.S. Chamber and other chambers of commerce in Eastern Europe.

Signing the Economic Council Agreement for Czechoslovakia will be Ludvik Cerny, President of the Czechoslovak Chamber of Commerce, and former longtime mayor of Prague. He will bring a seven-man delegation including ranking officials in the areas of banking, licensing, textiles, chemicals and technology investment projects, and food and agricultural projects.

Following the Oct. 17 signing and meetings in Washington with U.S. Government officials, the delegation will visit four cities to renew business contacts and to initiate discussions with interested firms on business possibilities in Czechoslovakia: San Francisco, Oct. 23-25; Los Angeles, Oct. 21-23; New Orleans, Oct. 20-21; and New York, Oct. 28-29. In New York City on Oct. 29 Cerny will participate in a World Trade Center seminar on doing business with Czechoslovakia.

The visit will provide a convenient opportunity for U.S. firms to examine possibilities of developing business relations with Czechoslovakia. Anyone interested in appointments with members of the delegation should contact the Department of Commerce Field Offices in the cities to be visited outside of New York City; in New York, inquiries may be directed to the Office of the Czechoslovak Commercial Counselor (telephone: 212-532-2662).

East-West Trade Assessed

In a new assessment of the U.S. role in East-West trade, Secretary of Commerce Rogers C. B. Morton states that U.S. exports of manufactured goods to the socialist countries could rise to more than $4.5 billion by 1980 compared with about $717 million in 1974, given a more favorable political and legal environment and aggressive marketing by U.S. business.

Western manufactured goods exports to the socialist countries (the USSR, the countries of Eastern Europe and the People's Republic of China) are expected to total $45.5 billion by the end of the decade—a 15 percent annual increase—with potential U.S. share at 10 percent.

However, Secretary Morton noted in the report just released by the Commerce Department: "Certain provisions of the Trade Act of 1974 have made it extremely difficult to normalize commercial relations with most socialist countries. By discriminating against them, the provisions restricting the use of normal export credit and tariff practices affect not only the U.S. ability to compete in East-West trade, but these provisions, and their impact on the American public, have left some U.S. firms uncertain as to whether they should commit resources to East-West trade."

The 142-page report, *The U.S. Role in East-West Trade: Problems* and *Prospects*, which includes unique data on 1974 market shares of the U.S. and its Western competitors in East-West trade, is available at $2.15 a copy from the U.S. Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402, and most U.S. Department of Commerce District Offices.

Multilateral Trade Negotiations

This article is another in a series of reports on preparations for and notable developments in the multilateral trade negotiations, as prepared by the Commerce Department's Office of International Trade Policy.

GENEVA

The **MTN Agriculture Group** reconvened Sept. 22. In preparation of its fall work program, proposals are expected to be discussed that concern the treatment of tariff and nontariff measures affecting agricultural products not covered in the grains, meat and dairy subgroups and quantitative restrictions currently applied to world agricultural trade. Another expected discussion topic is the consideration of agricultural products of the developing nations and what special procedures, if any, might be appropriate for them.

Under procedures adopted by the **MTN Tropical Products Group,** the U.S. has received request lists from developing nations, typically calling for reduction of tariffs or relaxation of nontariff measures believed to be restricting the countries' sales of tropical products to the U.S. The U.S. MTN Delegation over the past several months has held a series of technical consultations with the developing country delegations. The meetings have served to clarify specific requests, where necessary, by identifying proper tariff descriptions and numbers.

Countries submitting request lists are: Ghana, Ivory Coast, Kenya, Nigeria and Uganda in Africa; Bangladesh, Burma, Hong Kong, India, Indonesia, Malaysia, Pakistan, Philippines, Singapore, Sri Lanka, Thailand and Turkey in Asia; Argentina, Brazil, Colombia, Ecuador, Jamaica, Mexico, Trinidad & Tobago, Venezuela and the Central American Common Market (Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua) in Latin America.

Fall MTN Meetings

Sept. 22-26, Agriculture Group; Sept. 23-Oct. 3, Nontariff Measures Subgroup on Technical Barriers to Trade; Oct. 6-10, Nontariff Measures Subgroup on Customs Matters, Agriculture Subgroup on Meat (tentative); Oct. 13-17, Nontariff Measures Group, Tariffs Group; Oct. 20-24, Tropical Products Group, Agriculture Subgroup on Grains (tentative); Oct. 27-31, Agriculture Subgroup on Dairy Products (tentative).

Also, from Oct. 27-Nov. 7, Nontariff Measures Subgroup on Quantitative Restrictions; Nov. 3-7, Sectors Group; Nov. 10-14, Nontariff Measures Subgroup on Subsidies and Countervailing Duties; Nov. 17-21, Safeguards Group; Dec. 9-12, Trade Negotiations Committee.

PARIS

The Trade Committee Working Party on **Government Procurement** of the Organization for Economic Cooperation and Development (OECD) met in Paris Sept. 15-19 to continue work on a draft code for government purchasing. Progress achieved at the session is being reported to the full OECD Trade Committee, due to meet Sept. 23-24.

Work on government purchasing has been in progress for several years within the OECD. In addition to the draft code, OECD efforts in this field include gathering factual information on member nations' current policies with respect to government procurement.

WASHINGTON

The interagency **Trade Policy Staff Committee** began a series of daily meetings Sept. 2 to review the advice and data obtained from all information sources on the current round of multilateral trade negotiations as well as implementation of the generalized system of preferences for developing countries.

The Committee is chaired by the Office of the President's Special Representative for Trade Negotiations (STR) and consists of representatives from the Departments of Agriculture, Commerce, Defense, Interior, State and Treasury. The representative of the U.S. International Trade Commission serves as an advisor.

One principal source of information is the reports of the industry, agriculture and labor sector and policy advisory committees. Throughout the spring and summer the advisory committees have been meeting to prepare, discuss and review their reports, as reported previously in this column.

A second primary source of information is the International Trade Commission's advice to the President on lists of articles to be considered for modification or continuation of duties, as well as the individual briefs received by the Commission during its public hearings in 20 cities throughout the country and in Washington, D.C.

A third source is information received by the Committee during the course of its public hearings in Washington and in 12 cities throughout the country in June, July and August. In addition, on Sept. 16 and 17 the Committee held public hearings specifically on certain nontariff measures. Although the Committee is interested in receiving information on all nontariff measures which are being or may be discussed in the MTN, the hearings focused on the following nontariff measures which currently are being given priority consideration by the GATT Nontariff Measures Group: 1) subsidies affecting international trade and countervailing duties upon subsidized exports; 2) quantitative restrictions upon trade (including import prohibitions and "voluntary export restraints") and import licensing procedures; 3) standards, packaging and labeling, and marks of origin; and 4) customs valuation, customs nomenclature, customs procedures, and import documentation including consular formalities and fees.

CONSULTATIONS PROGRAM

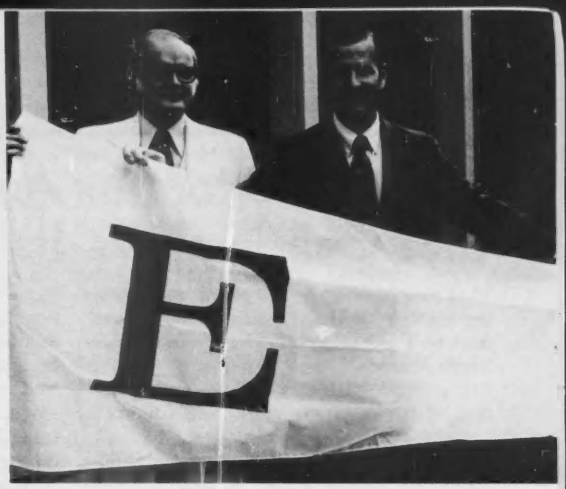
With the completion of the initial Industry Sector Advisory Reports (ISARs) by each of the **Industry Sector Advisory Committees** (ISACs), the focus of the original 26 ISACs is shifting to specific MTN issues of major importance. On September 18, a closed meeting of all ISACs was held at the Department of Commerce for classified review and consultation with Commerce and STR officials regarding two key nontariff measures: the draft GATT Standards, and subsidy and countervailing duty issues.

The newly-established ISAC on Retailing scheduled its first meeting Sept. 29 The session, open to the public, includes a review of the current status and outlook for the MTN, agreement on the preparation of its report, and election of officers. As was the case with the original 26 ISACs, the Retailing Committee will devote the next several months to preparation, review, and approval of its basic advisory report.

The fourth meeting of the **Industry Policy Advisory Committee** (IPAC) will be held at the Department of Commerce Oct. 1. At this closed session, the IPAC will review each of the classified ISARs completed by the original 26 ISACs and consult with Commerce and STR officials on the draft GATT Standards Code, on subsidy and countervailing duty issues, and on associated trade matters.

Steering subgroups of the six **Labor Sector Advisory Committees** met in Washington the week of Sept. 9 to review the draft reports on possible tariff reductions in the MTN compiled from submissions received from union leaders. Secretary John Dunlop and Ambassadors Frederick Dent and Clayton Yeutter attended a combined meeting of the Labor Policy and Labor Advisory Committees on Sept. 19. The proposed GATT Standards Code and subsidy and countervailing duty issues were discussed. The next series of meetings will probably be held in November.

TO CAPITOL BROADCASTING'S FARM DEPARTMENT—*Company officials Ray Wilkinson and Verne Strickland (at left) and Wally Voight (right) flank Secretary of Commerce Morton and (center) Commerce official Joel New.*



TO TEXAS MANUFACTURER—*Harold E. O'Kelley, Chief Executive Officer of Datapoint Corp. (left) with James A. Baker, III, Under Secretary of Commerce.*

The Export Spectrum

This sampling of 1975 winners of the Presidential "E" Award for Export Excellence sweeps the spectrum of enterprises that have aided the U.S. balance of trade through aggressive promotion of sales activity abroad. It has manufacturers, marketers and public communicators; firms located in the East, South, Midwest and West, offering products as traditional as the Coleman lantern and as new as electronic data processing. The manufacturers are the Coleman Co., Wichita; Fairchild Camera & Instrument Corp., Mountain View, Calif.; Dayton Progress Corp., Dayton, O., making equipment for the metal stamping industry, and Datapoint Corp., San Antonio, of the data processing systems field. Dreyco, of New York and Teaneck, N.J., handles the export business of 28 U.S. makers of automotive, hardware, industrial and marine products. Welt International, Chicago, is a management consulting firm specializing in East-West trade. The Farm Department of Capitol Broadcasting Co., Raleigh, N.C., through radio and TV outlets in the Southeast, has been promoting farm exhibitions and trade missions abroad.

HONORS IN OHIO—*At ceremony for Dayton Progress Corp. are (from left) Lincoln I. Opper, President of Dayton Progress International; Assistant Secretary of Commerce Travis E. Reed; Robert L. Bleicher, Corporate President and E. W. Bates, Vice President and European Manager.*

KANSAS CEREMONY—*George Payne of Commerce's Kansas City District Office congratulates Coleman Co. officials (left to right): President Lawrence Jones, Chairman Sheldon Coleman, and International Marketing Director James Minson.*

UNDER CALIFORNIA SKIES—*Fairchild's President Wilfred J. Corrigan raises "E" flag with board Vice Chairman C. Lester Hogan.*

SHARING RECOGNITION—*Johanna Welt and Leo G. B. Welt are seen with Welt International's certificate; Jack Dreyfus and Mrs. Dreyfus with the award to Dreyco.*

Book Exhibitors In Australia Report U.S. Can Improve Its Market Share

That Australia is an excellent and growing market for U.S. publications was demonstrated recently by the Sydney U.S. Trade Center, which provided the stage for a book fair—the first major promotion of books by any U.S. Trade Center.

Exhibitors unanimously agreed that the United States is in a good position to improve its market share. Among the advantages enjoyed by U.S. publishers are these:

- They generally have more funds for R & D and can publish on a larger scale than their competitors.
- The large home market allows for more experimentation and U.S. publications are often noted for their advanced concepts.
- The quality of the product is highly regarded.
- While Australian books have a price advantage, the price of British books is currently rising faster than American prices.

Educational, professional and technical books were the primary components of the fair. Many publishers also showed a spectrum of their general lists of nonfiction and fiction. Eight exhibitors showed audio-visual classroom teaching aids. Encyclopedias and reference works were well represented. Patrick Gleeson, managing director of Prentice-Hall of Australia Ltd., said the fair was the most successful book exhibition in his experience.

BOOK FAIR SYMPOSIUM—*Dr. Paul F. Brandwein, adjunct professor at University of Pittsburgh, demonstrates a point during his address at symposium that was part of American Book Fair, Sydney Trade Center.*

Australia's book imports in 1972-73 exceeded US$72 million. Major suppliers were the United Kingdom (48 percent), United States (28 percent), and Hong Kong (9 percent), the latter category comprising predominantly books published in Australia but printed in Hong Kong.

Under the traditional book marketing system, whereby U.S. publishers dispose of the Australian selling rights for their titles (along with the rest of the Commonwealth selling rights) to British publishers, the United States has been largely excluded from the Australian market for works of general fiction. Consequently, the fair was open to U.S. titles for which British publishers did not have the Australian selling rights. These titles fall into these market segments: encyclopedias, reference books, educational books, textbooks and works of general non-fiction.

Titles reported to have attracted the greatest interest were educational textbooks aimed at the secondary and tertiary levels in anthropology, the arts, biomedical sciences, business, computing, economics, education, engineering, history, the humanities, political science, psychology and teacher education. This reflects a growing interest in the social sciences in Australia, and U.S. publications on these subjects are noted for their up-to-date material and approach. In other areas (e.g., computer technology), the United States is the recognized leader and U.S. publications are accepted as being the most authoritative. Other books which attracted a high level of interest were general reference books, art and craft books and illustrated book materials for the lower school levels. With the possible exception of encyclopedias, a healthy rate of market growth is forecast for all categories.

Within the primary and secondary textbook market, potential exists for U.S. publishers provided the U.S. orientation is not too limiting. To remain competitive, imported material needs to be world-centered; that is, not centered on any individual country. The amount of locally produced material is rapidly increasing and Australia no longer accepts imported books because there is nothing else. U.S. publishers who wish to continue selling abroad may need to insist that authors consider their international markets more closely when preparing material. In this respect American publications are generally more disadvantaged than British publications. The Australian educational system is molded on British lines and British books tend to be closer in subject matter and level to Australian schools. This even manifests itself in small spelling differences which, though minor, can be a source of prejudice. Metrication of British books is another case in point, giving them an advantage over most U.S. books.

As reported in the May 12 issue of *Commerce Today*, the 89 U.S. publishers had off-the-floor sales of $245,000 and they predict 12-month incremental sales of $5.3 million as a result of the exhibition. One publisher reported floor sales of $54,000 and five others surpassed the $10,000 mark.

The 1,492 persons who attended consisted largely of booksellers, librarians, teachers and school administrators. They came from all Australian states and territories to attend the exhibition and an educational symposium organized by the Trade Center in cooperation with Australian educators and booksellers.

Leisure Goods Show, Frankfurt, Attracts Top Visitor Interest

Remote control water ski devices, coin-operated video-games, diving bells, tennis equipment, and down-filled sleeping bags—in that order—headed the best-prospects list at the close of the Frankfurt U.S. Trade Center's recreation and leisure products exhibition.

The recent show, with 26 participants representing 44 U.S. firms, was broad based and drew top buyers from major stores and purchasing groups. Additional products evoking strongest interest were aluminum vinyl-lined swimming pools, sea scuta, tennis ball savers, optical measuring devices, fishing rods, swimming pool filters, tents, ultra sauna gas-fired heaters, golf equipment, back packs, life savers, camping vans, and sports footwear. Even with such a variety, inquiries were received about a number of items that were not displayed: winter-sports equipment, sportswear, wider variety of tennis equipment, camping equipment, diving equipment, fishing accessories, hunting rifles, archery, special picnic equipment, and equestrian accessories.

As reported in the July 21 issue of *Commerce Today*, six representatives were appointed and 39 were under negotiation at the close of the show; some $11 million worth of sales are projected for the next year.

Bulgarian-U.S. Council Meets To Spur Trade

Bulgarian Chief of State Zhivkov met earlier this month with senior executives of a dozen U.S. corporations. The American businessmen were in Sofia for the first plenary meeting of the Bulgarian-U.S. Economic Council, an organization co-sponsored by the National Chambers of Commerce of the two countries.

During the two-day session, both national sections discussed various concrete ways of expanding commercial relations. Both sides agreed that an enduring trading relationship requires reciprocal establishment of nondiscriminatory treatment in all matters affecting trade, and recommended prompt and appropriate steps to remove barriers.

As a group, U.S. Council members met with the Bulgarian Minister of Foreign Trade, Ivan Nedev, and the president of the Bulgarian Chamber of Commerce and Industry, Penko Penkov. Discussions were held at various ministries and foreign trade enterprises. These discussions focused on future cooperation in large-scale agricultural production and food processing, tobacco production and cigarette manufacturing, turnkey construction projects, chemical technology and product exchanges, mining and metal processing, coproduction in electronics and banking. One major contract was signed and several preliminary agreements were reached, the U.S. Chamber reported.

Eximbank Increases Interest Rates To Near Market Levels

The Eximbank has announced a new interest rate policy bringing the Bank's usual interest charges closer to market rates and increasing its ability to provide lower rates when necessary to meet financing offered by official export credit agencies of other countries.

Interest rates on Eximbank loans to foreign purchasers of U.S. goods and services are to range from 8¼ to 9½ percent, depending on the total term of the loan. Loans repayable within six years from date of authorization carry interest rates of 8¼ percent. Rates increase ¼ percent for each additional two years of maturity up to 9½ percent on loans repayable in excess of 14 years from date of authorization.

"These new rates" said Eximbank Chairman William J. Casey "are closer to, but still below commercial rates and are in the same general range as those usually offered by export credit agencies of other nations when required insurance premiums and other charges are added in. With the higher earnings that will result from these slightly higher basic rates, we will be in a better position to meet competition when other nations go below these rates.

"On those occasions we will be prepared to go as low as necessary to meet competition, always provided that the blend of Eximbank and commercial bank rates does not fall below the 7½ percent floor on which the major industrial countries have agreed."

Casey pointed out that the Bank's need to fund itself as a self-sustaining institution with money borrowed at rising interest rates caused it to depart over a year ago from its traditional practice of charging a single interest rate on all transactions. This further development of that policy will increase Eximbank's ability to generate enough financing to assure that any sound U.S. export transaction can be financed.

Eximbank is continuing its past practice of supporting from 30-45 percent of the price of an export and will occasionally increase its participation to as high as 55 percent to meet competition, facilitate the longer maturities sometimes required by project economics or complete a financing package. The Bank will continue to guarantee commercial credit, going to 90 percent of an export transaction in a combination of direct credit and guarantee and to 85 percent in guarantee only. It will continue to charge a guarantee fee ranging between three-fourths and one and one-half percent.

U.S. Exhibitors Invited For 1976 USSR Shows

The USSR Chamber of Commere & Industry invites participation by U.S. firms in the following international specialized exhibitions during the first half of 1976: diamonds, diamond tools and equipment for diamond machining, Kiev, May 1-10; equipment for industrial manufacturing of fodder and processing of secondary raw material for foddering purposes. Minsk, May 27-June 6; and, in conjunction with the 13th International Congress of Mineral Fertilizer, agricultural chemistry, Moscow, June 20-July 1.

Address: General Directorate of Foreign and Specialized Exhibitions, USSR Chamber of Commerce & Industry, Sokolnicheski Val 1-a, Moscow 107232.

Graphic Arts Show In Sydney Spurs Buyer Awareness Of U.S. Equipment

The recent graphic arts equipment exhibition at the Sydney Trade Center is expected to contribute significantly to an improvement in the U.S. share of the market for such equipment in Australia. Some 1,300 top-level buyers attended the week-long exhibition and responses to an attendee poll indicated that the exhibition increased buyer awareness of the wide range of U.S. equipment and techniques available.

In recent years the U.S. share of the Australian printing and graphic arts equipment market, worth $40 million annually, has declined steadily. Imports play a major role in the market, supplying an estimated 85 percent of all equipment sold, and this percentage is not expected to change greatly over the next few years. Few local manufacturers have the capacity to produce specialized and sophisticated equipment. Major third-country competitors include West Germany, the United Kingdom, Italy and Japan. With large international companies marketing good, competitively priced products, competition provided by these countries is formidable.

American companies and equipment, however, enjoy many marketing advantages. For example, the United States has more products available than its competitors. continual research and development in this area is manifested in a high level of technology and new concepts, and pricing is competitive.

Special-interest items

Attendees showed particular interest in phototypesetting techniques, photocomposing systems, offset equipment, multicolor printing techniques, scanning, editing and proofing systems and the latest innovations in computerized printing techniques. The Australian printing industry is capable of producing all types of printed products and uses a wide range of processes. As a result, good potential exists for virtually all types of printing and graphic arts equipment.

U.S. companies, however, will need to take a high level professional attitude and approach to marketing their equipment in Australia. Greater parent company support for local agents and distributors and more attention to the needs of the particular end-user when marketing equipment should pay dividends in increased sales and an improved market share.

As reported in the June 23 issue of *Commerce Today*, the 29 exhibitors reported off-the-floor sales of $582,540, and a 12-month projection of $6 million worth of orders.

Worldwide Business Outlook

Competitive Prices Encourage Swedes To Focus On U.S. As Supply Source

The market for a wide range of capital and consumer goods in Sweden is good and growing. An important consideration for U.S. businessmen surveying this market now is the advantageous exchange rate Swedish importers enjoy for the Swedish krona vis-a-vis the U.S. dollar. Since March 1973, the dollar has depreciated more than 11 percent against the krona. This fact has caused an increasing number of Swedish importers, distributors, industry purchasing officers and marketing organizations to focus on the United States as a source of supply of products and equipment, reports Richard N. Kirby, Commercial Officer at the U.S. Embassy in Stockholm.

Price, of course, is not the only marketing consideration. Many U.S. industry sectors have long been considered by Swedish industry to be at the forefront of technological advances and it is this technical know-how and equipment that is sought out by Swedish industry to help it maintain its position in export markets around the world.

U.S. exporters should also take advantage of the growing market for American consumer products. This is reflected in the current popularity and demand for a wide range of American consumer goods which are now appearing in chain stores, boutiques and shops around the country.

While there are some signs of a slowdown in Sweden's domestic economy and soft spots in its key export markets, the *Wall Street Journal* recently called Sweden "one of the healthiest economies around," an observation which fits the current situation. To keep economic activity strong, the Swedish Government is employing a number of measures to stimulate investment by industry and business.

Holding inflation in check

Throughout 1974 Sweden experienced continued economic expansion and, by western European standards, a relatively moderate rise in consumer prices of 10.5 percent. To date in 1975, inflation has been held to an adjusted annual rate of 8 percent. Unemployment remains low even by historical Swedish standards.

Swedish imports from the United States were up 50 percent in value terms in 1974 over 1973. However, the U.S. share of Sweden's imports has been steadily declining.

In terms of the economic situation prevailing in Western Europe in general and in Scandinavia in particular, Sweden is relatively well off. Swedish Government and industry economists and other observers were generally optimistic for the first half of 1975 but predicted a gradual downturn in business activity thereafter. Residential construction, shipbuilding and the pulp and paper industries are examples of areas where economic activities have slowed. Heavily dependent upon its diverse export markets, Sweden of course will feel ripple effects from adverse developments abroad. Some of these are already being felt. Nevertheless, Swedish investments abroad have reached record levels.

There may be a slight increase in gross domestic investment in 1975, perhaps by 1 percent. To compensate for weakening of the export outlook and deterioration in the business climate, the Swedish Government has extended or has introduced certain mildly stimulative measures of interest to firms surveying the market. Examples are the 30 percent special tax deduction on investments in industrial machinery and the 110 percent tax deduction for improvements in residential buildings already standing. It has also made it attractive for firms now to draw upon funds they were required to set aside from 1974 profits to finance improvements in working conditions and to reduce energy consumption. In addition, the government has extended the period for utilizing countercyclical investment funds.

American firms and their representatives frequently inquire what obstacles have been placed in the way of U.S. suppliers as a result of the industrial free trade agreement which became effective in 1973 between Sweden and the EEC. Most of these questions relate to the so-called "rules of origin" adopted by both the EEC and the European Free Trade Area (EFTA) to which Sweden belongs. The EEC/EFTA rules of origin stipulate the maximum percentage of the total value of various categories of finished products that may be of foreign origin to receive duty-free treatment within the two trading areas. Where most engineering products are concerned, for example, third-country materials are allowed to compose a maximum of 40 percent of the value of the finished product. Inquiry into the procurement practices of a number of Swedish firms has shown that the origin rules may have caused some producers to turn away from the United States as a source of supply. However, in general, the rules have not hindered importation of American components. The U.S. Government is urging a liberalization of EEC/EFTA rules of origin.

There is strong evidence that U.S. suppliers of high technology equipment are increasingly competitive in the Swedish market. High technology consumer goods, such as mini-calculators, sell so well that importers cannot meet demand. Now, for the first time in many years, U.S. suppliers of low technology consumer goods, such as men's shoes, are competitive in Sweden as well.

The Swedes are prosperous and will "buy American." A nation-wide merchandising organization recently completed a three-month program featuring American

INNOVATIVE CARRIER IN SWEDEN—*Models under production in Volvo's new car assembly plant in Kalmar are assembled on individual battery-driven carriers which are controlled by electrical impulses from cables concealed in the floor below the equipment.*

consumer goods in eight product areas. Its experience was that 81 percent of the new-to-market U.S. merchandise imported cleared the shelves promptly even at top-of-the-line prices.

Swedish industry and business is maintaining its strong export thrust and is seeking out producer goods and new technology in the form of licensing arrangements to assist in its programs. The Swedish Export Council and the Swedish Small Business Administration (Företagareföreningar) have effective programs to assist exporters, the latter including loans to export industries for the purchase of new imported systems, techniques and equipment. Many medium and small-size firms are anxious to represent U.S. firms as agents in Sweden and throughout Scandinavia while they develop, at the same time, their own complementary lines of production.

Particularly promising opportunities

Although the Swedish market is small, it continues to offer good prospects for aggressive U.S. firms. Kirby identifies the following trade opportunities as particularly promising:

Franchising: This is a prime market for interested U.S. firms. One fast-food restaurant chain in this market has succeeded beyond its most imaginative forecasts in 1973 and is well on the way to nationwide expansion. There is also interest in proposals from American firms for specialized auto-service facilities such as muffler shops; fast-food restaurants for crustaceans and fish, sandwiches, snacks and steaks; motels; and specialty retail shops for clothing lines and for foods including shops open at late hours and weekends.

Foreign Group Buyers Program: Hard-charging IATA-approved travel agents are focusing on the United States as a target market for business-oriented group travel. An increasing number of medium and large-size groups are traveling to major U.S. trade events. The reasons include: improved reception of foreign businessmen at U.S. trade shows; the advantageous exchange rate the Swede enjoys for his krona vis-a-vis the U.S. dollar and the relatively cheap per diem costs in major U.S.-event cities; and the opportunities to pick up business agents from among U.S. exhibitors at these events. The U.S. bicentennial year will give added incentive to this program.

Consumer Goods: A major in-store promotion program by one of Sweden's principal retailers has identified strong interest in luggage; golf equipment and accessories; household linens including trimmings, printed sheets and pillow cases; towels and bathroom accessories; men's shirts including short-sleeve and sport shirts; pocket calculators; beauty products, mainly cosmetics and men's toiletries; and garden, lawn and patio furniture. There is also interest in do-it-yourself building materials; recreational products including sporting goods and outdoor equipment; housewares; toys and games; printed matter and stationery; as well as gadgets and bar accessories.

Capital Goods: Swedish firms are known to have strong interest in purchasing corrugating equipment for the pulp and paper industry; professional scientific and laboratory equipment and apparatus; environmental control monitoring apparatus; EDP equipment; hotel, restaurant and institutional feeding equipment; heating and ventilating equipment; laser equipment; industrial process controls and mechanical measuring and controlling instruments.

The U.S. Trade Center for Scandinavia, located in Stockholm, stages a series of topical exhibitions of American products each year. Exhibitors must pay a nominal fee to participate but the U.S. Government provides support, including costs of identifying and surveying the market; pinpointing possible customers not only in Sweden but also in Denmark, Norway and Finland; identifying qualified agents; and designing and constructing exhibits. Manufacturers and service companies and their agents may use Trade Center facilities between shows for exhibitions, meetings or seminars.

Swiss Seen Spending More In 1976, Especially In Areas Of U.S. Strength

The recession which hit Switzerland towards the latter part of 1974 has been a chastening experience for a country that had been riding on top of the world for the better part of 15 years, according to the U.S. Embassy in Bern.

Swiss officials believe that the recession will probably reach bottom in the fall, with appreciable signs of improvement appearing early in 1976. Next year, they forecast, will almost certainly be better both for the economy as a whole and for individual companies, with big ones leading the recovery. Gradual economic recovery will mean a revival of consumer spending as real income picks up. It is precisely in that area that U.S. suppliers have much to offer.

Import value plunged

The value of Swiss imports in the first half of 1975 plunged by 18.9 percent to $7,113 million. Swiss purchases from the United States also dropped, but the extent of the decline was less drastic, by 4 percent in value and 1 percent in volume. In absolute figures, Swiss imports from the United States totaled $567.2 million in the first six months of 1975, representing 8.0 percent of global Swiss purchases. No doubt the favorable exchange rate has helped U.S. sales in Switzerland. Since May 1971 the dollar has depreciated about 70 percent against the Swiss franc. This trend, when properly exploited by American suppliers, has made many U.S. products exceedingly price competitive on the Swiss market and has created a tremendous incentive for many customers to start shopping in America again.

Why then have American sales in Switzerland not increased more substantially? The pedestrian rate of expansion is due in part to the complexities of the current economic situation in Switzerland. Heavy U.S. construction machinery, for example, is considered second to none and the attractive prices at which it is presently being offered would ordinarily make such equipment a best seller. Unfortunately the Swiss building industry is in the doldrums. It was the first segment to feel the chop of the economic recession. Residential and industrial construction is expected to be down by at least 20 percent this year. Investment in new construction machinery fell by 85 percent in the first quarter of 1975 compared to the same period in 1973, and by 70 percent compared to the first three months of last year.

The decline in domestic industrial production and plant utilization has led to lagging investment in capital goods. The most important branch of Switzerland's economy, the machine and engineering industry, has suffered a drop in the value of new orders received of 21 percent in the first quarter of 1975. Severe cuts in government spending on hospitals and other public works are reflected in diminished purchases of such items as health care equipment, avionics and aviation ground support equipment, and laboratory instrumentation for universities and government research institutes. Moreover, the uncertainties of the economic outlook are persuading consumers to keep their spare cash in their savings accounts rather than spend it.

Heading the list of consumer products

Heading the long list of American consumer products with promising sales potential are sporting goods for summer and winter; toys and games for children as well as adults; playground equipment; model kits for airplanes, boats, ships, railroads, and cars; sailboats and boat accessories; sports footwear; leisurewear for men and women; genuine Western-style clothing, including buckle belts and boots; men's suits, jackets and shirts; infants' wear and children's jeans and sweatshirts; bathroom carpets and mats, shower curtains, bath sheets and towels, beachwear

and bathrobes; costume jewelry; perfumes and toiletries; lawn and garden equipment; and foodstuffs.

In the field of musical instruments and electronic home entertainment equipment, American suppliers are already well entrenched, especially at the upper end of the market. Prospects remain excellent.

Among consumer durables, American automobiles have staged a surprising comeback, after years of sagging sales. Approximately 11 percent more U.S. motor cars were registered in Switzerland last year, at a time when the total number of new motor vehicle registrations fell by 15 percent. America's competitive position on the Swiss car market has been boosted by shifting exchange rates and rapid rise in prices of European models, but above all by greater variety and appeal in the U.S. product range. Prospects for American car sales have seldom seemed brighter.

Thriving through the recession

Sales of some selected American capital goods have continued to thrive through the recession. They include pollution control instruments and equipment, demand for which is higher than ever; analytical chemical instruments and laboratory instrumentation generally; process control instruments; industrial, commercial and residential security systems; and aircraft and aircraft parts. Once investment activity picks up, opportunities should rapidly improve for business machines, including electronic data processing equipment; health care equipment; electronics equipment, components and accessories; and communications equipment. Two-digit inflation has adversely affected the price competitiveness of Swiss and German goods—by tradition the principal rivals of American products on this market—and the experience of inflation and recession has caused some shifting of comparative advantage for products on the Swiss marketplace.

Therefore, greater opportunities may open up now for U.S. suppliers of such items as chemical raw materials; food processing and packaging machinery; hotel and restaurant equipment; power generation equipment; numerically controlled machine tools; avionics and airport ground equipment; and building systems, materials and hardware.

The successful American businessman will know that price is an important but not the only consideration in concluding a sale in Switzerland. He will pay careful attention to offering realistic payment terms, answering correspondence promptly, supporting his agent with sales literature and timely delivery of spare parts and components, investigating and correcting justified trade complaints, and generally observing Swiss business rules and practices.

Ethiopian Opportunities Should Grow As New Government Outlines Policy

Ethiopia is currently undergoing rapid and fundamental political, economic and social change. The most significant economic features of this change have been the Jan. 1 nationalization of all banks and insurance companies, the Feb. 3 nationalization of most major industrial concerns, and the March 4 land reform proclamation.

These developments have combined to shift an essentially market-oriented economy (albeit with a strong element of government involvement) to an economy characterized by state ownership and heavy government participation.

Ethiopia is still in a transition period, reports Richard D. Kauzlarich, Commercial Officer at the U.S. Embassy in Addis Ababa. The government is implementing the economic measures announced during the first quarter of 1975 and is formulating additional economic policies which should help to further clarify the direction of Ethiopian economic development. A new investment code and labor policy may be forthcoming in the near future, Kauzlarich adds.

Industrial expansion has virtually been at a standstill for over a year and nationalization is unlikely to improve shortrun prospects in this area. Further, a number of the newly nationalized industries are experiencing difficulties in adjusting to changes in ownership and the private sector is uneasy owing to the absence of a clear-cut government economic policy for it. As a result, business activity has again slumped following a brief recovery in late 1974. The impact of the land reform proclamation on commercial farming is unclear as former private owner/operators are being replaced by government-appointed managers.

Economy is fairly strong

Ethiopia entered this difficult transition period in a fairly strong economic position: first, Ethiopia's 1974 balance of payments was favorable with a balance of trade surplus of US$8.5 million and a $92.4 million increase in reserves. Declining world prices for Ethiopia's major export commodities cut heavily into export earnings during the last half of 1974, however, while imports grew as merchants replaced seriously depleted inventories. Exports have continued to decline through early 1975 as world commodity prices softened further, but import levels have remained relatively high. Nevertheless, Ethiopia's current foreign exchange position is still quite healthy at about $292.7 million or approximately 12 months' import cover. Second, according to most experts Ethiopia's 1974/75 cereal harvest was one of the best in recent years. Consequently, Ethiopia's food supply is fairly good despite recent drought conditions in certain areas of the country. Third, the new government inherited a sound fiscal system from the previous government. As a result, the new government has considerable leeway for expanding development and other expenditures through new tax measures and internal borrowing. These three advantages put Ethiopia in a better position to deal with short-term difficulties that may follow these recent changes.

As the new government outlines its economic program in more detail and the economy overcomes some of the frictional dislocations associated with transition, there will be growing opportunities for U.S. exports. Two successful catalog shows in food processing equipment and health care industries have underlined basic private and government buyer interest in U.S. products. Further, the present government has shown a greater inclination to expand development programs into new areas and to spend its own resources on new undertakings. With the "new look" in the economy, the new government seems likely to place heavy emphasis on both industrial growth and modernization of rural Ethiopia.

More open procurement policy

As the government-appointed managers of the newly nationalized industries and commercial farms take over from the former (primarily expatriate) managers who had close ties to European and Japanese trading interests, there will be increased opportunities for U.S. capital goods exporters. Since the new managers lack these ties to certain suppliers, they may be prepared to follow a more open procurement policy. This, along with reopening of the Suez Canal, should make the Ethiopian market even more attractive to U.S. suppliers.

Significant export opportunities exist in the following areas:

- Major telecommunications projects should soon be under way. As part of Phase I of Ethiopia's Fifth Telecommunications Development Program, the Board of Telecommunications of Ethiopia (BTE) is issuing a tender for construction of Ethiopia's first earth satellite communications station. In addition, BTE is issuing construction tenders for three Phase I microwave links. The total cost of Phase I, which will end in 1976, is expected to be $37 million, two-thirds of which will be foreign exchange. Phase II (1977-78) calls for $17 million in expenditures on various telecommunications projects. Interested suppliers should contact Ato

Beyene Desta, General Manager, Board of Telecommunications of Ethiopia, P.O. Box 1047, Addis Ababa.

- Ethiopia's Sixth Highway Program will also begin shortly. The Ethiopian Highway Authority (EHA) has negotiated a loan agreement with IBRD covering construction, technical assistance and equipment purchases worth $32 million. Tenders should be let within the next few months. Further information can be obtained from Ato Hailu Shawel, General Manager, Ethiopian Highway Authority, P.O. Box 1770, Addis Ababa.
- The newly nationalized Adola Gold Mine intends to undertake an expansion program involving $10 million in washing plants, drag lines, trucks and earthmoving equipment. Interested suppliers should contact Ato Shebelle Temtime, Head, Mining Department, Ministry of National Resources Development, P.O. Box 704, Addis Ababa.
- Trucks and other transportation equipment are in demand. Details can be obtained from Ato Getahoun Terrefe, General Manager, General Ethiopian Transport Co., P.O. Box 472, Addis Ababa.
- Ethiopia's Civil Aviation Administration (CAA) intends to pursue an expansion program at five airports along the "Historic Route." This program will probably include upgrading of airport runways, installation of navigational aids and additional ground support equipment. While the project is still under study, there are strong indications that it will go forward. Interested firms should contact Ato Girma Ingidayehu, Administrator, Civil Aviation Administration, P.O. Box 978, Addis Ababa.

Other important opportunities

There are also important opportunities for transport equipment (especially trucks), farm machinery and fertilizer. Since most such sales may involve public procurement, a word about government bidding procedures is in order. All government purchases above $5,000 require open bidding.

However, the period within which bids must be submitted is often quite limited. In the past this has occasionally prevented U.S. firms from participation. For this reason it is essential that U.S. suppliers maintain close and frequent contact with the Ethiopian market.

Ten state trading corporations with head offices in Addis Ababa have been formed; they comprise 50 of the 150 formerly private firms recently nationalized. They are the National Textile, Transport, Fibre, Metal Works and Leather and Shoe Corporations and the Ethiopian Food, Beverage, Printing, Domestic Distribution and Import-Export Corporations. These organizations handle a substantial amount of Ethiopia's import trade.

Credit Seen Key To Selling In Chile Until Economic Stability Is Restored

Depressed world copper prices and domestic austerity programs combine to make the short-range trade outlook in Chile very unclear, but medium and long-term prospects are good and improving. Availability of suppliers' credits will be a critical factor in selling to Chile in coming months, adds Harrison B. Sherwood, Commercial Officer at the U.S. Embassy in Santiago. While aggregate imports will probably show a decline from last year when 1975 totals are in, the U.S. share may be found to have increased slowly during the year.

U.S. export sales to Chile during 1974 reached approximately $506 million (c.i.f. basis) compared with some $280 million (c.i.f. basis) in 1973. The U.S. share improved from an estimated 16.7 percent in 1973 to about 22.6 percent in 1974. As a whole, Chile's imports rose by nearly one-third in 1974, compared to 1973, from $1.68 billion to $2.24 billion. The increase in Chile's imports reflects the rise in petroleum prices, which caused Chile's petroleum import bill to go from $120 million in 1973 to $373 million in 1974.

Capital goods—agricultural, transport, mining and construction machinery—were up by about $170 million, and accounted for much of the rest of the increased import figure.

Chile's economy is still in great need of capital equipment in order to replace worn-out and badly maintained machinery and to provide the basis for at least a modest increase in productive capacity. Agriculture and mining are the two sectors which will have the greatest requirements in the coming year, but virtually every industrial entity in Chile has plans for replacing worn-out plant and equipment or expanding into new production as soon as funds are available. There is serious question, however, how much of this large demand for imports can be filled.

The general trade outlook over the short-run is extremely cloudy. Two key factors are responsible for this uncertainty: copper prices and the government's economic policy which will involve deep cuts in the public budget and affect virtually all sectors of the economy.

Dependent as Chile is on copper exports to finance essential imports, from food and fuel to sophisticated industrial equipment, the fall of world copper prices from the 1974 high of $1.51 per pound to recent levels of less than 60 cents per pound has been disastrous. While total copper export earnings more than doubled in 1974 compared to 1973, they could drop by as much as 30 percent in 1975. Export earnings by other products will fill some of this gap, but the overall export figure will probably fall during 1975, unless there is a sharp rise in copper prices.

As to the austerity measures, the government has decided to cut public spending to help dampen the triple-digit inflation rates of recent years (e.g., 376 percent in 1974). Since public sector spending constitutes about one-third of total GDP, the 15-25 percent spending cutbacks being made will tend to depress effective demand throughout the economy. Public sector imports alone are to be reduced by about $50-60 million.

Over the long-term, Chile's basic strengths—mineral deposits, industrial experience, relatively skilled managerial and labor classes, and traditions of production and trade—will probably reassert themselves and the economy will right itself. In the meantime, opportunities to export new products to Chile or increase traditional exports are not bright.

As far as industrial goods and services are concerned there is a distinct preference for U.S. products. This is based on generally superior quality and technology, reliable service facilities and spare parts supply, and an indefinable "flexibility" ascribed to American suppliers which allows them to accommodate changed circumstances easier than European or Asian exporters.

On the negative side, because of the shortage of foreign exchange, many attractive sales opportunities are lost by U.S. exporters to firms in countries where short and medium-term credit, often at concessional terms, is available. Argentina, now Chile's largest supplier with an estimated 18.8 percent of 1974 imports, is a typical example. Recent Embassy surveys of the agricultural, construction and mining equipment markets turned up example after example of goods imported from Argentina which were distinctly inferior in quality and state of the art, but were bought because of the availability of suppliers' credit. Other countries such as Brazil, Spain and Australia gained increased sales on the same basis.

American traders with experience in the Chilean market should be alert to the possibilities of obtaining commercial bank financing of their already established lines in Chile. Such trade opportunities as exist at present often will require a very fast answer on the question of supplier credit. Indications are that banks are beginning to consider new credit lines with terms up to five years. Sherwood believes that a favorable arrangement on suppliers' credits is the most critical factor in selling to Chile at the moment; all other factors (price, quality, timely availability of goods, service, spare parts and the like) appear to be generally in favor of U.S. producers.

New Zealand Caught In World Cycle; Importers Will Emphasize Technology

The dominant factor in New Zealand's economic situation is the very large deterioration in the terms of trade and a continuing serious adverse balance of payments, according to the U.S. Embassy in Wellington.

High import payments with reduced export earnings boosted the current account deficit to over one billion New Zealand dollars for the year ending June. The depressed international economy with the resultant reduced demand for New Zealand's principal traditional exports, greatly increased import costs, especially for petroleum and petroleum products, coupled with a government policy of full employment, have been key factors bringing about this increased deficit. Large overseas borrowing has been resorted to in order to meet foreign exchange needs. The overseas debt increased NZ$828.4 million during the year ending June. Improvement depends primarily on a substantial upturn in New Zealand's key export markets.

The farming sector has been especially hard hit by reduced export receipts for pastoral products and increasing farming costs. The inflation rate has continued high, the business climate is unsettled, wholesale and retail stocks are up, business profits are down, and new private building construction is down. Investment spending in the farming and business sectors has decreased, but unemployment is still low.

On Aug. 10, the government devalued the New Zealand dollar by 15 percent, to NZ$1.00=US$1.06. This should give a badly needed boost to farmers' incomes, help the competitiveness of other export industries and further reduce imports. But it will also add to inflationary pressures.

Decline in imports forecast

There are signs that the volume of imports is falling. On the basis of a survey made before devaluation, private import payments for 1975 are estimated to decline to $1,918 million, 12 percent below payments during 1974. Private monthly import payments for the third and fourth quarters of 1975 are expected to average $152 million and $141 million, respectively. Firm import orders placed in June (totaling $75 million) dropped over 19 percent below the figure for April. Undoubtedly the rate of decrease in the volume of imports will grow with devaluation. But a number of imports are needed for industry. Further sizable reductions in these could have a serious impact on New Zealand's economy, including a rise in unemployment.

According to the New Zealand Department of Statistics, of imports totalling $2,766.5 million for the year ending March, 19.5 percent came from Australia, 18.3 percent from the United Kingdom, 14.3 percent from Japan and 12.9 percent from the United States. Only the U.S. share showed an increase over the year earlier, up 2.1 percent.

Though the volume of imports is expected to continue decreasing and private investment is showing signs of slackening, the government's policy is to give first priority to maintaining full employment and to encouraging continued investment in improving agricultural production and industrial development, especially for export. This offers a potential for a continued substantial level of U.S. exports.

A number of well-informed observers have expressed growing concern about diminishing relative productivity in New Zealand and the need for greater emphasis on upgrading productivity in both industry and agriculture to maintain New Zealand's competitive position in world markets. As awareness of this need increases, demand will rise for machinery and equipment incorporating technological advances.

A large share of U.S. exports to New Zealand is made up of the types of machinery and equipment which such industrial expansion and upgrading requires. These include such categories as: sawmill, paper processing, mining and materials handling machinery—especially of the labor-saving types; computers, office machines and graphic arts equipment—especially the automated types; the latest and most efficient versions of tractors, engines, pumps, powered tools, telecommunications, electric power generating and measuring equipment; vehicles; aircraft—both fixed wing and rotary wing types—and other classes of transportation equipment.

Since an important share of New Zealand industry uses imported materials, these represent another important category for U.S. exports. They include such commodities as tobaccos, synthetic rubber, lumber, chemicals, (including fertilizers, insecticides), pharmaceutical compounds, wood materials, cotton and synthetic fabrics, metals, etc.

Of the other principal suppliers of New Zealand imports besides the United States (Australia, the United Kingdom and Japan) the first two enjoy certain trading advantages. About half of Australia-New Zealand trade takes place under the New Zealand-Australia Free Trade Agreement (NAFTA). The United Kingdom gets special duty concessions under the British Preferences, but these are being phased out. By July 1, 1977, the United Kingdom will enjoy virtually no tariff preferences and will be on more of an equal footing with New Zealand's other trading partners. Both Australia and the United Kingdom have been suffering from inflation considerably greater than that in the United States. This is raising the relative costs of many of their exports to New Zealand, which places them at a disadvantage price-wise.

The United States is virtually the only significant market at present for New Zealand beef. Over 70 percent of New Zealand's beef exports in 1974-75 went to the United States.

New Zealand does not normally actively seek or encourage foreign investment, but where investment schemes are clearly in New Zealand's interest as set down in specifically defined-criteria, foreign investment is welcome.

Find A Local Agent

American exports to New Zealand have been inhibited in some cases by the type of agent/distributor arrangements which some American companies have for New Zealand. Specifically, many American companies have granted agency, distributor or other representational rights covering New Zealand to companies located in Australia. The Australian company often does not make what the American Consulate in Auckland feels are reasonable efforts to sell the U.S. product in New Zealand. Many do not know the New Zealand market and are too preoccupied with their Australian activities to do more than send a salesman to New Zealand now and then. The Consulate believes that in most cases, it would be far more productive for an American company to have an agent or distributor in New Zealand for the New Zealand market.

New Zealand is not as close to Australia as many Americans seem to think. Auckland is 1,343 air miles from Sydney and 1,636 air miles from Melbourne. The round trip air fare is NZ$325. American companies which try to operate in New Zealand through Australian agents sometimes have difficulties in that shipping documents do not arrive on time or are misplaced. Shipments incur additional costs by being routed through Australia; and payments complications sometimes ensue because of the different Australian and New Zealand currency values.

Many American companies already have agents, distributors or representatives in Auckland, the commercial and industrial center of New Zealand. The Consulate General there and the Embassy at Wellington can help other U.S. firms locate representatives in New Zealand.

Kenya's Change In Growth Emphasis Good News For Many U.S. Suppliers

After ten years of sustained, rapid economic growth, the Kenyan economy has been particularly hard hit by worldwide inflation and economic recession. In 1974 it had its slowest rate of growth and largest balance of payments deficit since independence. To adjust to the new economic climate, the Kenyan Government in mid-1975 modified its basic economic growth strategy by placing greater emphasis on the agricultural sector and those industrial projects which have low import requirements and high employment potential. This strategy is expected to produce more rapid economic growth in 1975 than was experienced in 1974 and to reduce the size of the balance of payments deficit, according to the U.S. Embassy in Nairobi.

Exports from the United States to Kenya totaled $58 million in 1974, a 24 percent increase in value from 1973, but there was probably no increase in volume as the greater value can be more than accounted for by price increases. The United States slipped from fourth to sixth place among Kenya's foreign suppliers as the U.S. share of the market declined from 7.7 percent in 1973 to 5.7 percent in 1974.

Because no growth is expected in either the value or volume of imports during 1975, the general outlook for improved U.S. sales is not encouraging. There are, however, two factors which could enable U.S. exporters to increase their market share relative to their major competitors. First, the value of the Kenya shilling is tied to the U.S. dollar and has depreciated with the dollar in international financial markets. The shilling's trade-weighted depreciation was 5.7 percent during 1974, but with no change in the dollar/shilling exchange rate, U.S. exporters have gained an added competitive edge. The other factor which should contribute to a larger U.S. market share is that U.S. exports have traditionally been concentrated in industrial raw materials and intermediaries, capital goods and agricultural inputs. These products will be the least affected by Kenya's import restraint programs, as they are necessary components of Kenya's modified economic growth strategy.

The agricultural sector should be particularly promising for U.S. exporters. The greater emphasis placed on agricultural development by the modified growth strategy should create greater demand for the insecticides, pesticides, and fungicides that U.S. manufacturers traditionally supply to the Kenyan market. In addition, there is rapidly growing demand for modern grain handling equipment and for sugar cane handling and processing equipment. Kenya also plans to do much more of its own processing of agricultural products than heretofore and will become an increasingly good market for food processing and packaging machinery.

To assist U.S. manufacturers in developing these markets, the U.S. Department of Commerce plans an agricultural equipment and livestock catalog show in June featuring literature of U.S. manufacturers.

The importance of credit

Decreased foreign exchange availability and government credit guidelines which will tend to discourage imports mean that external credit is an increasingly important part of many export sales to Kenya. In addition to their internal company resources, U.S. manufacturers have several sources they can use to finance exports to Kenya. The Export-Import Bank of the United States has demonstrated increasing willingness to support U.S. sales in Kenya with its concessionary financing and loan guarantees. Several U.S. banks have branches or representative offices in Nairobi and can provide trade financing as well as on-the-spot knowledge of the Kenyan market.

During the last 12 months, U.S. corporations have made or committed almost $25 million in new investments in Kenya, bringing the total direct U.S. investment to approximately $125 million. Among the largest projects were N-Ren Corporation's participation in a $54 million fertilizer plant and General Motors Corporation's participation in a $15 million truck assembly plant. In addition to new investment, several U.S. corporations which have had operations in Kenya for many years have recently increased the size of their investments. All of these investments—either new investments or expansion programs—were made after careful analyses by businessmen who reacted to what they obviously think is a good investment climate offering opportunities for good profitability for years to come.

The welcome the Kenyan Government has traditionally given to foreign investment has been repeated and reemphasized in several recent government pronouncements and the government is actively seeking foreign partners in a number of projects which it has identified as having excellent potential. These projects include several mining ventures, the manufacture of synthetic fibers, the spinning and weaving of textiles, production of basic industrial chemicals, and processing of a wide range of agricultural products. Investment in industries which have potential for exports will be given priority over import substitution industries. At the same time, increased investment in new industries by Kenyans as well as their foreign partners will close many markets now supplied by imports. U.S. companies are therefore advised to investigate investment opportunities as well as export sales opportunities if they hope to suppiy the Kenyan market in future years.

Guyana Economy Shows New Life; U.S. Top Supplier

Guyana's economy has recovered dramatically during the past 12 months, largely as a result of record sugar export receipts, reports the U.S. Embassy in Georgetown.

A strong foreign reserves' position is enabling the government to forge ahead with its development plan, as witnessed by heavy imports of capital equipment. Barring labor and weather problems the South American country's major exports—bauxite, sugar and rice—should perform exceptionally well and further improve terms of trade. Although unemployment and inflation continue to exact their toll on economic growth, real progress has occurred as evidenced by road construction, new schools and industrial expansion.

Although Guyana is committed to the development of a basically socialist economy, for the present it tolerates some degree of private enterprise. While not required by statute, all new foreign investment in the country must in fact be on a joint-venture basis with the government. There have been few exceptions to this rule of practice.

A U.S. firm has recently concluded an agreement with the government for construction of two glass factories, an investment of some $6 million. The U.S. company will hold a minority interest in the venture.

Although several foreign companies have expressed interest in timber and pulp operations in Guyana during the past two years, no final agreements have been reached thus far.

For the most part, the government insists upon its majority participation, control of exports, and eventual if not immediate management control. The higher the level of technology of the investment, the more flexible the government is likely to be about its terms. Nevertheless, the current policy makes Guyana more attractive for turnkey investment than for long-term capital risks.

The U.S. share of Guyana's import market reached about 26 percent in 1974, making the United States for the first time Guyana's largest single supplier. Principal U.S. exports to Guyana include wheat, heavy machinery and chemicals;

main U.S. imports from Guyana are sugar, bauxite and shrimp.

The Government of Guyana is continuing its policy of diverting trade from the country's traditional partners (United States, United Kingdom, Canada and Western Europe) toward socialist-bloc and "nonaligned" countries. In 1974 Guyana increased substantially its trade with the Peoples Republic of China and the German Democratic Republic. Imports from non-traditional partners such as these will compete more heavily with U.S. goods as the government continues its trade diversion policy through state trading for domestic consumption and public sector equipment purchases. Moreover, the government has pledged to control directly all foreign trade, presumably within a year.

Guyana's trade within Caricom (Caribbean Common Market), of which it is a member, deviated from past patterns in 1974. Due to oil price increases, Trinidad became the country's second largest supplier, and Guyana in turn registered a trade surplus with Jamaica because of the former's higher-priced rice exports.

The best prospects for exports to Guyana are keyed to the country's Development Plan. Generally, this means there will be opportunities for sale of equipment for infrastructural projects such as roadbuilding, dredging, power transmission and building construction. Good prospects over the next few years exist for equipment sales in the timber industry, as well as fishing and shrimping.

Recent large U.S. sales of mining equipment to the Guyana Bauxite Co. indicate a preference for American products. Expansion plans in the bauxite industry call for pollution control devices, one specifically being an electrostatic precipitator.

Exporters offering products used in small-scale, labor-intensive manufacturing and energy-saving devices are likely to find ready markets in Guyana. Although many of Guyana's imports of capital goods are tied to foreign government lending, which limits U.S. sales participation, the country is increasingly turning toward international financial institutions for assistance. This should increase sales potential for price-competitive U.S. firms.

The above information by no means should be considered an exhaustive list of trade possibilities. Aggressive and imaginative firms can create their own trade opportunities.

For detailed information about Caricom see the U.S. Department of Commerce publication. OBR 75-24, entitled *The Caribbean Community and Common Market: Their Implications for United States Business.* Information is also available directly from the Caricom Secretariat, 3rd Floor, Bank of Guyana Bldg., 1 Avenue of Republic and Church Streets, Georgetown, Guyana.

PRC Trade Delegation Talks With Officials, Tours American Cities

The first senior trade mission from the People's Republic of China ever to visit the United States held important talks with American business leaders and toured the country for 18 days during September. The delegation, which was hosted by the National Council for U.S.-China Trade, met with President Ford and leaders of Congress Sept. 8 and Secretary of Commerce Morton the following day. Following the Washington talks, the party visited New York, Chicago, Moline, Ill., Houston, San Francisco and Seattle.

Talks covered exchanges of trade missions, with emphasis on potential exports of U.S. products; exhibitions in both countries at mutually agreed upon dates and locations; trade promotion offices; legal issues relating to Sino-U.S. trade and regular joint meetings between the two countries to facilitate bilateral trade.

The 12-member Chinese delegation was led by Li Chuan, Vice-Chairman of the China Council for the Promotion of International Trade (CCPIT), and included important officials of China's foreign trade corporations which are responsible for handling China's imports and exports within their respective areas. The visit reciprocated a similar tour of China in November 1973 by a 10-member delegation of the National Council.

The National Council for U.S. China Trade is a private, non-profit organization established in May 1973 with the encouragement of the U.S. Government. It has more than 250 corporate members involved in doing business with the PRC.

Ivory Coast Requires Pre-Shipment Scrutiny

Many imports into the Ivory Coast now require qualitative and quantitative inspection and a comparison of prices within the country of origin. The Societe Generale de Surveillance, S.A., of Geneva, has been designated responsibility by the Government of the Ivory Coast for overseeing this control on all goods valued at f.o.b. 500,000 CFA francs or more (present rate: one U.S. dollar equals 220 CFAF). Goods valued at f.o.b. 100,000 CFA francs up to that level are not subject to this requirement but must be accompanied by a declaration of intention to import.

Goods destined for the Government of the Ivory Coast and for diplomatic missions and international organizations are exempted, as are certain categories of goods, including basic foodstuffs, and goods from certain countries, notably other African nations and the Communist countries.

The Societe Generale de Surveillance has the following correspondents in the United States which should be contacted by U.S. firms for further instructions on specific application of this law: Superintendence Co., Inc., with offices in New York, Baltimore, Houston and New Orleans and laboratories in New York, Houston and New Orleans; Consolidated Energy Services, Inc., with offices in Englewood Cliffs, N.J., and Irvine, Calif.; and General Superintendence Co., Inc., with offices in Memphis and Dallas.

Andean Commission Decides Assignments For Auto Industry

The Andean Common Market Commission has reached a tentative agreement on assignments under the automotive industry sectoral program. Except for a number of technical problems, the program is expected to be approved at the next ordinary meeting of the Commission which will start on Oct. 7.

The assignments are given below.

VENEZUELA—Passenger Vehicles: one model A-3 (1,500-2,000 cc cylinder displacement); two models A-4 (2,000 cc and up). **Trucks:** two models B-3 (9,500 kgs and up). **Four-wheel Drive Vehicles:** gross weight under 2,500 kgs. **Others:** tractors, scrapers, self-propelled cranes.

COLOMBIA—Passenger Vehicles: one model A-1 (to 1,200 cc); one model A-3 (1,500-2,000 cc). **Trucks:** two models B-3 (9,500 kgs and up). **Four-wheel Drive Vehicles:** gross weight under 2,500 kgs. **Others:** tractors, bulldozers and crawlers, motorcycles.

CHILE—Passenger Vehicles: one model A-1 (to 1,200 cc); one model A-2 (1,200-1,500 cc). **Trucks:** one model B-1 (up to 4,500 kgs); two models B-3 (9,500 kgs and up). **Others:** front loaders.

PERU—Passenger Vehicles: two models A-3 (1,500-2,000 cc). **Trucks:** three models B-3 (9,500 kgs and up). **Others:** tractors, front loaders, motorcycles, heavy rollers.

ECUADOR—Passenger Vehicles: one model A-2 (1,200-1,500 cc). **Trucks:** one model B-1 (up to 4,500 kgs).

BOLIVIA—Trucks: two models B-2 (4,500-9,500 kgs). **Others:** lift trucks.

The passenger vehicle assignments can be built also as cargo carriers and as special purpose vehicles. The truck category can be built also as buses; B-2 and B-3 models can be built as truck trailers.

Furthermore, a variety of marine and stationary gasoline and diesel engines are assigned to various countries.

Additional provisions of the tentative agreement provide:

- the four countries to which the B-3 trucks are assigned commit themselves to

reduce the number of makes to the minimum by coproduction or complementation agreements covering both vehicles and components.

- the four countries will cooperate with Bolivia and Ecuador through coproduction or complementation agreements to manufacture those components which are required to be of local origin there.

Unresolved issues regarding assignments include: Ecuador's desire for coproduction of tractors; Peru's desire for a model of category C (jeep-type vehicles); and more countries want to produce motorcycles.

For information on current progress toward economic integration in the Andean region see *Commerce Today*, June 23, pp. 28-29.

Sweden Clarifies Status Of Agents

A recently completed English translation of regulations affecting Swedish agency and distributorship relations defines how agents have been given an improved legal position.

Important aspects of Royal Decree No. 219, which incorporates the changes, are summarized as follows:

- A notice of termination is required to terminate indefinite term agency agreements. The required notice term is three months for indefinite term agreements which have been in effect for one year or more. The period of notice for such agreements which have been in effect for less than a year, must be at least one full calendar month after the month in which notice is given. The agent cannot waive such notice requirements. However, no notice is required when an indefinite term agency contract is terminated by the principal based on just cause.
- Fixed term agreements, or contracts for specific business ventures, terminate at the expiration of the contract term or completion of the business venture. Fixed term agreements may be prematurely terminated by the principal only if the principal has just cause. The decree, which went into effect on July 1, 1974, is somewhat ambiguous on the question of whether or not there is a notice requirement for terminating fixed term agreements. Therefore, prudence would suggest that notice be given even when the principal has just cause allowing him to terminate a fixed term agreement prematurely without liability.
- Just causes which allow a principal to prematurely terminate a fixed term agency agreement without incurring liability or an indefinite term agency without giving notice, are: a) dereliction of the agent's duty to the principal under the agreement; b) the agent's bankruptcy; c) when the agent has breached the contract in such a manner that no reasonable cause exists for continuing the agreement.

Copies of the translation of Royal Decree No. 219 may be obtained by request from Foreign Business Practices Division, Office of International Finance and Investment, U.S. Department of Commerce, Washington, D.C. 20230.

Libya Has Expanded Controls On Economy

Four laws announced by the Libyan Government on Sept. 3 and 4 nationalize importers, commercial agencies, new vehicle distribution, and certain housing units and regulate specified contracting activities.

One law requires most private contractors of building, mechanical and electrical work to offer shares in their companies to the public or to government. The current owner may continue to hold not more than 15 percent of the company's capital (partners may hold 25 percent collectively). The remainder of the company must be sold to the public or to the government.

A second law gives the Ministry authority to take over trade and distribution of new vehicles. Whether this law covers only automobiles or other vehicles as well is unclear.

A third law authorizes the Council of Ministers to take over all import agencies, representatives and distributorships.

The fourth law provides for nationalization of up to 6,000 housing units built with government loans as an investment rather than for private use, and is apparently designed to limit speculation.

These laws remain to be implemented. During the implementation period, American businessmen should clarify fully the status of any particular private Libyan firm with which they plan to do business.

Nigeria Acts To Clear Ports

Nigeria's Federal Ministry of Transport has issued new regulations designed to help clear massive congestion at the country's ports, especially Lagos. All shipping companies/agents must register with the Nigerian Ports Authority before undertaking activities in Nigeria, and must furnish the Authority with information about each sailing at least two months prior to departure of vessels from loading ports. Until the ports' congestion problem is resolved the Ministry of Finance may regulate the process by which it provides automatic foreign exchange covers to private ship charterers. For additional information contact Rodney Rydlun, OIM/BIC, Room 5625, U.S. Department of Commerce, Washington, D.C. 20230, phone 202-967-4388.

Quebec Labeling Draft Extends Federal Rules

Draft regulations on product labeling and public signs and written advertising were published by the Province of Quebec on Aug. 20. These regulations are intended to implement portions of the Quebec Official Language Act of 1974 (Bill 22). Copies of the proposed regulations are available from any Department of Commerce District Office.

The draft regulations for the Province of Quebec appear to be more extensive than those implementing the Canadian Federal Consumer Packaging and Labeling Act which are applicable to products nationwide.

The latter affects the labeling requirements on consumer goods only and limits its requirements for bilingual usage to product identification. Under the draft Quebec regulations the word "label" means any wrapping in which a product is contained or wrapped, as well as any tag or card annexed, fixed or attached to a product. Labels, warranty certificates and directions on products, menus and wine lists must be drawn up in French. They may, however, be drawn up both in French and in one or several other languages, but in such case the French text must stand out or at least figure no less prominently than any version in another language. Labels may also contain pictograms.

The following may be drawn up in one or several languages other than in French: a) Labels, warranty certificates and directions on products manufactured and labeled outside Canada which are in very limited usage and for which no valid substitute exists readily available and manufactured in Canada; b) labels and directions on products not yet commercialized in Quebec which are exhibited at conventions, exhibitions or fairs; c) labels and directions on industrial products shipped in bulk and intended to be incorporated in a finished product; and d) labels and directions on publications, records or tape recordings manufactured and labeled outside Quebec or presented in the language of such publications, records or tape recordings.

Once approved, these regulations shall apply to labels, warranty certificates and directions on alcoholic beverages and to products other than food effective Jan. 1, 1978. Food products, other than alcoholic beverages, will be covered effective Jan. 1, 1976.

Persons wishing to comment on the draft regulations may do so by writing before Nov. 18 to: Fernand Lalonde, Solicitor-General of Quebec, Minister Responsible for the Regie de la Langue Francaise, 225 Grande Allee East, First Floor, Quebec, P.Q., Canada G1R 4C6.

International Business Reports

The Andean Report. Lima. Monthly newsletter in English. $145 annually (airmail).

According to the publishers this report offers a summary of each month's developments; an outlook report indicating general trends; specific reports on particular subjects, indicating what the governments, state industries, banks and private industries are doing and planning; business and financial developments; legal and tax regulations affecting the business climate; news of the Andean Group; and mining, petroleum and industrial developments.

Write: The Andean Report, Apartado 2484, Lima.

Convert Your Sales Secretary to an Export Administrator. Export Procedures Academy. 30pp. Free.

Includes such sections as: determining if a license is required; filling out a license application; supporting documentation; general and special licenses; amendments and extensions; emergency clearance; shipping documents; payment terms, letters of credit, etc. Respondents will also be sent material on the company's "30-hour comprehensive workshop seminar program designed to train senior export professionals."

Write: Export Procedures Academy, 395 Totten Pond Rd., Waltham, Mass. 02154.

Statistics Canada 1975 Catalog. No. 11-204-E. Free.

Statistics Canada responsibilities in the Canadian statistical system concern the whole range of statistics on economic and social activities in Canada. Its publications include a vast array of subjects including import/export data, the manufacture and sale of various commodities, supply and demand of energy, etc. This catalog lists the publications available.

Write: Publications Distribution, Statistics Canada, Ottawa, Canada K1A OT6.

Economic Surveys for Australia, Japan and the United States. Published by the Organization for Economic Cooperation and Development. $1.75 each.

Surveys for each country describe recent economic developments and policy measures taken by the respective governments.

Write: OECD Publications Center, Suite 1207, 1750 Penn. Ave., NW., Washington, D.C. 20006.

Surveys of African Economies. Volume 6. Published by the International Monetary Fund. 480pp. $5.

Covers five English-speaking countries—The Gambia, Ghana, Liberia, Nigeria and Sierra Leone—situated on the west coast of Africa. Like the previous five volumes in the series, based mainly on published sources, supplemented by data gathered by Fund missions from central banks and national authorities. Economic data relate mainly to the period 1969-73.

Write: The Secretary, International Monetary Fund, Washington, D.C. 20431.

Doing Business in Saudi Arabia and the Arab Gulf States. $125.

This introduction to the legal, business and social customs of the Saudi Arabia-Arab Gulf area is the first of a planned five-volume series, which will cover the entire Arab world and Iran, to be published over the next three years. It assembles and discusses information on politics, protocol, investments, financing, taxation, marketing and distribution, labor and Islamic law, for the countries of Saudi Arabia, Kuwait, Bahrain, Qatar, Oman and the United Arab Emirates.

Write: Inter-Crescent Publishing & Information Corp., 219 East 83rd St., New York, N.Y. 10028.

Public Policy Issues and Realistic Proposals from the 1975 Chicago World Trade Conference. 70pp. $2.50.

The 38th Chicago World Trade Conference convened business leaders from various fields to discuss economic conditions and propose solutions to problems from their own "ground level" vantage point. Focusing on the present state of basic U.S. industries, their strengths and weaknesses, the participants pointed out crucial policy considerations and prescribed specific programs to restore these industries to their previous vigor and worldwide competitiveness. That is the focus emphasized in the compiling of this report.

Write: The Chicago Assn. of Commerce and Industry, 130 South Michigan Ave., Chicago, Ill. 60603.

Global Market Survey: Food Processing and Packaging Equipment. Published by the U.S. Department of Commerce. 158pp. $2.30.

This publication is intended to serve as an export sales planning tool for marketing decisionmakers of American companies engaged in the manufacture of food processing and packaging equipment. It is a ready desk reference of facts and figures on the 23 country markets researched and identifies the best U.S. export sales opportunities in each market on a product-by-product basis.

One of a series of Bureau of International Commerce publications focusing on foreign marketing opportunities for U.S. suppliers in selected industries. They are prepared by the Bureau's Office of International Marketing in cooperation with the U.S. Foreign Service-Department of State.

Write: Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Calendar For World Traders

Oct. 1-3—Roanoke, Va.—27th Annual Virginia Conference on World Trade, Hotel Roanoke.

Oct. 7—New York—FCIB Roundtable Conference on International Finance, Credit Collection and Exchange Problems, Summit Hotel.

Oct. 7-8—Seattle—Small Business Administration conference on Government Assistance for Small Business, Olympic Hotel.

Oct. 8—New York—FCIB Publishers Export Credit Group luncheon meeting, Summit Hotel.

Oct. 8 and 15—Chicago—15th annual seminar on Principles and Techniques in Exporting, conducted by the International Trade Club of Chicago in two one-day sessions, La Salle Hotel.

Oct. 8-10—New York—International Taxation Technical Session, World Trade Institute.

Oct. 9—New York—Overseas Automotive Club luncheon meeting, Summit Hotel. Speaker: Nageeb Halaby, President, Halaby International Corp.

Oct. 9—Cleveland—World Trade Forum, John Carroll University. Speakers will include Richard Garnitz, Acting Director of Commerce's Office of International Marketing. For information, 216-491-4320.

Oct. 9—Colombia, S.C.—Midlands International Trade Club monthly meeting, Hilton Town House. Speaker: Robert Wilson of Commerce's Office of International Marketing.

Oct. 15—New York—International Executives Assn. seminar on Export Financing Through Commercial Banks.

Oct. 16—New York—FCIB Drug, Chemical & Food Export Club luncheon meeting, Summit Hotel.

Oct. 21—Eau Claire, Wis.—Northwest Wisconsin Export Conference, Left Guard Restaurant.

Oct. 23-24—Newark—International credit executives meeting, Howard Johnson, Newark Airport.

Worldwide Business Opportunities

International trade specialists in the Department of Commerce and Foreign Service Officers in the U.S. Embassies and Consulates around the world are continually developing specific commercial opportunities through which American companies can find buyers, agents, partners or investors abroad. One of the major means for communicating these opportunities promptly and accurately to the U.S. business community is through the columns of this magazine.

The section that follows presents details about licensing and joint venture proposals, opportunities to sell to foreign enterprises and appoint agents, and details on major construction and expansion projects.

Licensing, Investment Abroad

EUROPE—Management consulting firm active throughout Europe offers assistance in development and management of international investment and licensing projects. Firm also recruits international managers. Company is directed by an American and it has worked considerably for American clients throughout Europe. Gunnar Beeth, Pres., IMACONSULT, International Management Consultants S.A., ave. d'Italie 43, B-1050 Brussels. Telephone, 02/673 99 32; telex, 26411. P-75641.

2010—GERMANY—Seeks licenses for technology for use in following industries: **food and food processing, recycling of materials, environmental protection.** Company, division of state owned firm, specializes in development and manufacture of turnkey plants for chemical and other processing industries. Dipl. Ing. A. Zoller, Salzgitter Stahlbau GmbH, 332 Salzgitter 41, Postfach 41 11 40. Telephone, 05341/214305; telex, 09 54483 sgt d fuer SASTA. P-75642.

2841, 2842—FRANCE—Firm seeks licenses to produce **cleaning preparations and household maintenance items** including: household and non-household detergents, mechanics' hand soap, window cleaning preparations, disinfectants, rug and upholstery cleaners, laundry and ironing aids and other specialty cleaning products; also, furniture and floor polishes. Firm created in 1974 by merger of two companies; has two large, well equipped plants. Company employs 650 and exports 25 percent of its production. Bernard de Pauligny, Directeur d'Exploitation, Union Generale de Savonnerie, 343 Blvd.-Romain Rolland, 13297 Marseille Cedex 2. WTDR. P-75635.

2841, 2842, 2844—UNITED KINGDOM—One of largest manufacturers, distributors and exporters in **household/toiletry** field seeks production and marketing arrangements for sale of similar U.S. products in Britain. Items to be considered include laundry products, metal polishes, cleaners and disinfectants, floor and furniture polishes, window polishes, cloths, firelighters, shoe creams and polishes, shoe protector products, dyes and colorants. Also, bath products, creams, balms, lotions, dental products, deodorants and antiperspirants, hair care products and men's toiletries. Firm is particularly interested in new products. It would not handle bulk, mainstream detergents. Company employs 26,000, has yearly sales volume exceeding 300 million pounds. J. D. Noble, International Development Dept., Reckitt & Colman Ltd., Reckitt House, Stoneferry Road, Hull, HU8 8DD, England. Noble will be visiting U.S. for three weeks in October and will be available to meet interested firms.

2851—TOGO — Firm seeks joint venture partner to expand production of **industrial paint** in plant 2 miles from Lome port. Established in 1970, firm will produce over 1,000 metric tons of industrial, household and auto paints in 1975. U.S. partner's investment may take form of capital, machinery, and technical know-how in return for 30 percent of total equity shares and management of plant operations and accounts. Togolese firm is seeking equity capital of CFA 30 million ($136,000 at CFA 220=$1). Company imports raw materials from Europe, and receives technical know-how from Berger Group, one of its chief suppliers. Societe Togolaise de Materiaux, S.A. B.P. 1689, Lome. Cable: SOTOMARIAUX. WTDR. P-75649. OPIC.

3079—GERMANY — Consulting and engineering firm seeks collaboration with U.S. company to establish plant to **manufacture disposable syringes 2.52-2.10 cc. and similar medical and surgical instruments and equipment** in Amman, Jordan. U.S. firm expected to supply know-how and turnkey installation. Mr. Amigi, Technoplan GmbH, Bismarkstrasse 77, 4000 Duesseldorf. P-75644.

3079 — VENEZUELA — Company seeks licenses to manufacture **vinyl briefcases.** Established in 1974, currently manufactures vinyl briefcases; wants to expand and improve production facilities and system. Jose Aragones, Gen. Mgr., Maliven, C.A., Aptdo. 3119, Valencia, Edo. Carabobo. P-75643.

3231—THAILAND—Firm interested in joint venture arrangement to establish a **sheet glass** manufacturing plant in Thailand. Seeks capital, machinery and technical know-how. Maximum percentage of foreign ownership offered is 49 percent with 51 percent to be held by Thai promoters, sheet glass retailers and public. Estimated amount of investment is $20 million, $7.5 million to be put up by investors, with loan from local financiers for $5 million, loan from foreign financiers or machinery suppliers for $6 million and credit from material suppliers for $1.5 million. Plant's production capacity (to begin operations in 1977) will be about 62 050 tons/year, 46,540 of which will be transparent sheet glass and the rest colored sheet glass. With demand increasing about 20 percent per year, domestic demand for sheet glass in 1977 is estimated at approximately 125,550 tons/year, and total production, 133,220 tons. Viwat Praepriewngarm, Managing Partner, Sanga Dumronka Industry Ltd., Part., 243 Sethkit Village Road, Bangkae-Nua, Bangkok. P-75639. OPIC.

3312—NETHERLANDS—Company engaged in **structural steelwork** for chemical and petrochemical plants, production buildings, warehouses, overhead cranes, telephone boxes, platforms, steeldecking, roofdecking, is interested in manufacturing under license similar products. Firm's main activity is designing, calculating, producing and erecting steel structures in broadest sense. It possesses modern equipment including numerically controlled drilling line in combination with automatic shot-blasting machine. Employs 168. A. J. G. Op het Veld, Managing Dir., Limoveld B.V., Helden-Pannigen, Industrieterrein 7, Postbus 7014. P-75631.

3321—KOREA — Firm seeks 50/50 joint venture to produce **cast iron products** for export. Plant to be located at Pukpyong, the east coast of Korea, where its principal affiliate has plant producing various ferrosilicon, silicon-maganese and ferro-maganese industrial materials for castings and other products. Firm was incorporated in 1973 as a general trading company of ten affiliates. K. W. Kim, Dir. Dongbu Sangsa Co. Ltd., CPO Box 2595, Seoul 100. Cable, DONGBUSANGSA Seoul; telex, K28382, K28346; telephone, 72-5200. WTDR. P-75624. OPIC.

3429—AUSTRALIA—Firm seeks licenses to manufacture **builders' hardware, outdoor metal garden furniture, window frames and commercial deep fryers.** Company currently fabricates small aircraft components, louvres and screens, small barbecues, aluminum boats and door frames. Processes aluminum, brass, copper, steel and stainless steel in thicknesses to ⅜″ in steel and ½″ in aluminum. Space available for expansion. Peter Harding, New South Wales Centre, Suite 6259, Five World Trade Center, New York, N.Y. 10048, Reference: D75/1199.

3444—UNITED KINGDOM — License is sought to produce **mail boxes** to be placed on gates. Firm does general machining and manufactures marine auxiliary sets, marine and sewage pumps. Established in 1959, company has 50 employees including six salesmen. K. J. Harding, Managing Dir., Vanroy Ltd., Harvey Works, Lingard St., Burslem, Stoke on Trent SY6 1EE. P-75626.

3462—AUSTRALIA—Seeks license to produce **marine gear boxes up to 300 or 400 h.p.** Company currently makes gear boxes for gasoline and diesel motors used mainly in pleasure boat market. Firm's capabilities include design of gear boxes and tooling, grinding, drilling and gear cutting. Land available for expansion. Peter Harding, New South Wales Center, Suite 6259, Five World Trade Center, New York, N.Y. 10048. Reference: D75/1053.

3500—FRANCE — Firm seeks licenses to manufacture **industrial or oil field machinery and equipment.** Company presently produces drilling units, pumps, excavating buckets, files and rasps, stamped parts and water well screens. Established in 1930, it initially specialized in production of soil perforation and drilling equipment. Company operates modern, well equipped facilities; also has engineering and research departments. Employs 450. For further information contact Ms. Doris Atkind, European-American Banking Corp., 10 Hanover Sq., New York, N.Y. 10005. Telephone: 212-623-3600. P-75636.

3532, 3636—INDIA — Punjab State Industrial Development Corp., Ltd., is interested in U.S. technical know-how to manufacture **rock roller bits, and industrial sewing machines.** Proposal calls for manufacture of 3 000 bits annually. Total cost of project is estimated at $1.20 million. Hydrocarbon exploration and development programs will result in increased demand for rock roller bits. Industrial sewing machines proposal calls for manufacture of 36,000 machines annually. Cost of project on land, buildings, and installation of equipment is estimated at $1.70 million. A. S. Chatha, Managing Dir., Punjab State Development Corp., S.

C.O.54, 55 & 56, Sector 17-A, Post Box No. 81, Chandigarh. P-75628. OPIC.

3540, 3714 — GERMANY — Licenses are sought for **pointless cylindrical grinding machines, materials testing equipment, hydraulic shock absorbers and other automotive equipment.** Company produces above-mentioned products for export throughout Europe, South America, Africa, Far East and Middle East. Established in 1932, company employs 90. Feuerland Werkstaetten Ernst Beilhack GmbH, 8701 Geroldshausen. Telephone: 09366/502. WTDR in preparation. P-75625.

3545 — UNITED KINGDOM — Supplier, manufacturer of products for machine tool accessory industry seeks licenses to manufacture and sell **machine tool accessories and equipment** used in machine tool industry, primarily in U.K. and Europe. Firm has 80 employees. David Work, Sales Dir., Kingston Engineering Co., Ltd., Pennington St., Hull, England, HU8, 7LD. P-75633.

3559—AUSTRALIA—Seeks to manufacture and market under license **water pollution control equipment.** Product interests include **filter and screening systems, flocculation equipment and clarifiers.** Firm presently produces coal mining machinery, air compressors, rock drills and related equipment. Is developing range of air and water pollution control equipment. Company employs 305, reports annual sales of $15 million. Is subsidiary of a major U.S. concern. Peter Harding, New South Wales Center, Suite 6259, Five World Trade Center, New York, N.Y. 10048. Reference: D75/997.

3561—ECUADOR—Newly organized company seeks license to produce **farm irrigation water pumps, cold-producing air compressors and gasoline and diesel engines up to 36 hp.** Estimated cost of project, $500 000. U.S. licensor would contribute 20 percent of cost in either capital or machinery, plus technical and patent expertise. Ecuadorean group is prepared to provide balance of financing and 2.47 acres of land, 10 miles from Guayaquil. Necessary power and other services available at site. Raw material, pig iron, would be imported from U.S. and other areas. Production process would comprise three following phases: pig iron casting, castings mechanizing and finishing, and castings assembly. Annual production capacity is estimated at $2 million worth of finished products. Correspondence, which may be in English, should be addressed care of Dr. Cyrano Tama-Paz. Megaton S.A., P.O. Box 343, Guayaquil. WTDR. P-75627.

3585—IRAN—Seeks license, joint venture to manufacture and assemble **window and automobile air conditioning units, fan coils, central air cooling systems, commercial refrigerators, electric stoves and space heaters.** Firm has obtained government approval to establish project; necessary capital and land are available. Feasibility study of project will be completed shortly. Mohammed-Ali Mortazavi, 40 Sevom Esfand Ave., Khamenehpour Bldg., Tehran. P-75638. OPIC.

3613 — VENEZUELA — Newly organized firm seeks license to manufacture **fuses** for industrial use. Licensor would provide necessary components and parts. Juan Simon, Fusivenca-Fusibles de Venezuela, C.A., Aptdo. 50512, Sabana Grande, Caracas. P-75632.

3673 — ARGENTINA — Manufacturer of **electronic transmitting tubes** for broadcast stations and industrial use seeks American buyer. Argentine firm is reported to be one of only two companies anywhere producing electronic tube 3J-260E. Assets including buildings, equipment and materials valued at about $450,000. Annual sales estimated at $350,000. Firm's present directors would assist new owners for six months to a year to adapt to local conditions. Omar Tovar Gabanetta, Vice Pres., Valtronic S.A., Uruguay 743, 8th Floor, Buenos Aires. P-75640.

3800—FRANCE—Firm specializing in **design, production and marketing of small and medium powered X-ray apparatus and related products for medical practitioners, veterinarians and dentists, wishes to expand its product line.** Desires to represent U.S. manufacturers' products in France. French firm is subsidiary of Danish concern that is developer, manufacturer and marketer of plastic disposable medical products such as syringes, catheters, urinary drainage bags and sutures. Danish firm also has a substantial marketing network through Scandinavia and Germany. It, too, has expressed interest in collaborating with U.S. manufacturers of complimentary product lines seeking to expand their exports to Europe. For additional information, including product brochures, contact Boynton M. Rawlings, attorney-at-law, 16th floor, 1801 Century Park E., Los Angeles, Calif. 90067; telephone, 213-553-4441. P-75637.

3823—SWITZERLAND—Seeks to represent and manufacture under license **advanced U.S. industrial process controls and measuring systems, based on microcomputer techniques.** Swiss firm specializes in production and sale of industrial process controls using latest microprocessor and computer techniques. These include numerical controls for machine tools and textile machinery; positioning controls; regulating systems, automatic weighing, dosing and mixing systems; precision thermostats; and output, display or reading systems through digital displays, punters, punch tape and data terminals. Firm is member of group engaged in production and installation of electric apparatus.. K. Hoehener, Grossenbacher, Elektronik AG, Oststrasse 25, 9006 St. Gallen. P-75630.

Licensing and investment proposals from foreign firms are listed in these columns. Specific product interests in each proposal are highlighted in bold type to facilitate identification and each proposal is preceded by the appropriate four-digit product number taken from the Standard Industrial Classification (SIC) Manual.

Background information on opportunities abroad and assistance on overseas investments are available from the Foreign Investment Services Staff, Room 4021, U.S. Department of Commerce, Washington, D.C. 20230. "P" numbers should be used when responding to any of the specific proposals listed.

WTDR indicates that a World Traders Data Report containing financial and background information on the foreign firm is available for $15 from the Export Information Division, Room 1313, U.S. Department of Commerce, Washington, D.C. 20230, or from any Commerce District Office.

OPIC indicates that the country involved is eligible for investment insurance coverage and financing from the Overseas Private Investment Corporation. Information regarding applicable coverage may be obtained from OPIC, Washington, D.C. 20527.

Licensing In U.S.

For additional information on these opportunities to manufacture foreign firms' products in the United States under a licensing agreement or in partnership, write the Domestic Investment Services Staff, Bureau of International Commerce, Room 4020, U.S. Department of Commerce, Washington, D.C. 20230 (202-967-2248), referring to the appropriate file number.

ARGENTINA—Owner of Argentine patent covering a new type of **shock absorber,** based on a pneumatic system, wishes to license production of this device in U.S. Shock absorber has been successfully tested on trucks, buses, and automobiles, and requires only ten components compared to the far greater number in standard hydraulic shock absorbers. File 2820

FRANCE—Unique **swiveling toothbrush** is offered for manufacture under license. U.S. patent was recently issued. File 2821

GERMANY—U.S. licensees are sought for **equipment to convert scrap rubber and other industrial wastes into useable energy forms** such as heating oils, diesel oil, and cooking and heating gas. System involves reduction process oxygen-limited or oxygen-free atmosphere. Joint venture arrangement will also be considered. File 2822

GERMANY—German technician wishes to license his recently patented **combustion turbine or ring motor** working with reaction pressure. This air-cooled motor can be adapted to land, air or water vehicles and run on small quantities of lead-free, liquid, natural, gas or hydrogen gas fuels. File 2823

HUNGARY — Hungarian foreign trading company specializing in technology transfer offers for licensing a patented **device for controlling engines with torque limiting clutches.** Device is also suitable for process control systems. File 2824

SWITZERLAND—Plastic cap for collapsible tubes and pressure containers is offered for licensing. This item, patented in 91 countries, can be operated with one hand. Locking device prevents contents from being squeezed out accidentally or by children. Licensees have already been assigned in Japan and most West European countries. File 2825

SWITZERLAND—Firm of engineering consultants headed up by a well known physicist and engineer wishes to have its new **compression blowing machine** manufactured under license in U.S. This machine is used for production of thermoplastic containers, bottles, and cups. File 2826

SWITZERLAND—U.S. licensees are sought for line of **industrial doors and related door operating and controlling devices.** Line includes manually operated and automatic folding-sliding doors for large garages and plants, folding door drives, push-button electronic control devices, and decorative wooden doors for hotels, conference rooms, and schools. File 2827

UNITED KINGDOM — British electronics firm wishes to set up joint venture with American company for production of their **device for monitoring oil flow capacity in pipelines.** Orders have already been received from major petroleum companies for refineries in U.K. and Europe. File 2828

UNITED KINGDOM — Self-loading truck bodies, which can be designed to fit any type of chassis, are offered for license. Electric arc welding is used throughout; no special tooling required. Cross-licensing agreement also will be considered. File 2829

Foreign Trade Inquiries

These trade opportunities are based on reports received from the U.S. Foreign Service—Department of State by the Trade Opportunities Division, Room 2323, U.S. Department of Commerce, Washington, D.C. 20230. The commodities in which foreign firms have interest are indicated by the five-digit numbers and commodity classifications which are from the Standard Industrial Classification (SIC) Manual and the Numerical List of Manufactured Products, 1972 Census of Manufactures.

U.S. firms should be aware that the listing in Commerce Today *of opportunities to trade in specific commodities and technical data does not necessarily imply approval of their export by the Department of Commerce pursuant to the Export Administration Act of 1969. Applicable export licensing regulations must be followed.*

Every effort is made to include only traders with good reputations. However, the Department cannot be responsible for any trade relations.

WTDR indicates that a World Traders Data Report on this specific firm is available at $15 from the Export Information Division, Room 1313, U.S. Department of Commerce, Washington, D.C. 20230. A WTDR is a trade profile which contains commercial information including financial references, on an individual foreign firm. Orders must include complete name and address of the subject firm and be accompanied by payment. Further information concerning WTDRs and request forms are available at each Commerce District Office.

The mark (•) indicates that this trade opportunity is a request for bids by a foreign government agency.

Direct Sales

Anthracite mining services

1112XXX—JAPAN — Anthracite. Minimum shipment 50,000 tons/yr. Pennsylvania anthracite most acceptable because of return boat schedule. Firm established 1951, employs 40. It manufactures & distributes car stereos & audio appliances, & also imports various commodities. Monthly turnover one billion yen. Vice-Pres. is U.S. citizen. Cable, or telex—Leo F. Meyers, Vice-President, Kiyo Inc., Wada Bldg., 8-13 Hirakawa-Cho 1-Chome, Chihoda-Ku Tokyo 102. Cable "Kiyorichest Tokyo"; telex "J22867"; phone 03-263-2241. Direct sale & agency. Embassy considers firm suitable trade contact.

Clay, ceramic, refractory materials

1452XXX—TAIWAN — Quality bentonite. Swelling: up 35 c.c./2g.; fe203: under 1%, 200-325 mesh. Reply to: Mr. H. C. Yu, Pres., Goodwill Enterprise Corp., 255 Chi-Lin Road, 2nd Floor, Taipei, Taiwan (104). Cable Gwill; tel 5212266; telex 21553 Gwill.

Miscellaneous nonmetallic minerals, except fuels

1499XXX—TAIWAN—Semi-precious stones: nephrite, uncut or cut, such as Wyoming nephrite, Canadian nephrite, etc.; rough semi-precious stones in big size for carving purpose, such as lapis lazuli, malachite, etc. Reply to—Peter L. Lee, Asst. Mgr., Chiu Ding Co., 143 Kwang Hwa Road, Lu Chou Village, Taipei, Taiwan 247. Cable Chiuding; tel. 9716924.

Building construction (see page 34)

Construction

• **16100 — NICARAGUA** — Construction companies invited to prequalify by Sept. 30 prior to bidding for construction of a 40-kiolmeter stretch of all-weather road between Acoyapa and San Carlos, near eastern shores of Lake Nicaragua, first step of construction project involving 130 kilometers of roads to be bid in three phases. Prequalification questionnaires available from: Sr. Armando Jiron Saballos, Director. Direcction de Carreteras, Palantel de Carreteras, Managua. Bid deadline Nov. 14. Financed by Central American Bank for Economic Integration and Inter-American Development Bank.

Heavy construction

• **16200—MALAWI**—Ministry of External Affairs invites expressions of interest in tendering for construction of Tangazi River Bridge and adaptation of Chiromo Bridge to road/rail facility in Lower Shire Valley southern region of Malawi (Contract No. 6/75). Work includes approximately 365,000 pounds structural steel, 44,000 pounds reinforcing steel, 254 cubic yards concrete and 0.45 miles approach road. Tender financed by Malawi/IDA loan. Interested firms should obtain tender documents and qualification questionnaire from Office of Daniel, Mann, Johnson & Mendenhall, City House, POB 30003, Capital City, Lilongwe 3. Closing date for receipt of tenders Dec. 5.

• **16200—PHILIPPINES**—Tender for portworks and facilities for Port of Cotabato, Polloc Harbor, Municipality of Parang, Province of Cotabato. There are two parts: 1) bid for construction of 400 meters of main wharf, lighterate and other ancillary facilities including dredging to depth of 10.5 meters below main lower water and initial reclamation of 22 hectares of port and back-up area with road networks, 2) bid for construction of about 15 kms. of Portland cement concrete road and 3 kms. of asphalt road on marsh area, and improvement of 8 kms. of existing road. Bidders advised that tenders must be accompanied by cash, surety bond without expiration date, certified check, or certification of fixed deposits made in favor of Director of Public Works and cashable by his office. Contractor must post performance bond of 10 percent of bid price from surety or bonding company acceptable to Director of Public Works. Contractors who wish to be prequalified to tender should submit application in prescribed form. Four copies of form available free of charge from: Bureau of Public Works, Bonifacio Drive, Port Area, Manila. All applications must be submitted in four signed copies in sealed envelope and marked: "Pre-Qualifications—BPW — Civil Works Contractor — Cotabato Port Development Project" and must reach Mr. Desiderio Anolin, Director of Public Works, at above address not later than Oct. 6. Foreign exchange cost will be partly financed from proceeds of loan from Asian Development Bank. Remainder will be provided by Philippine Government.

Cutlery, hand tools, general hardware

• **24211—PAKISTAN**—Government requests bids on 120,000 hardwood crossties, 9 ft. x 10 in. x 6 in.; 180,000, 9 ft. x 10 in. x 5 in.; and 6,270 crossing timbers assorted sizes totaling 38,240 cu. ft. Tender documents may be purchased from Secretary, Railway Board, Ministry of Railways, Government of Pakistan, Pakistan Railways Headquarters, Empress Road, Lahore, for $8. Bid deadline Oct. 27.

242122X—BOLIVIA—Ponderosa pine in cut and finished pieces. Specs—9 ft. lengths, up to 1 in. thicknesses, up to 10 in. wide. Reply to—Herbert Sickinger F., VP, Sickinger y Compania, Castilla 661, La Paz.

Public building, related furniture

• **25310 — GUYANA** — Mr. G. Sanford, Project Director, IBRD/IDA Education Project, Implementation Unit, P.O. Box 1063, Camp Road, Eve Leary, Georgetown, is seeking bids on education equipment and furniture. Copies of invitation to register will be available on short-term loan basis to firms located in U.S. from Science & Electronics Div., BDC-466, Room 1001, U.S. Dept. of Commerce, Washington, D.C. 20230. 202-967-5569.

Drugs

28330—ARGENTINA—Health Secretariat of Municipality of Buenos Aires requires urgently needed supplies of a pro-analysis drug used to produce serum for human use with sodium chloride and glucose or dextrose. U.S. firms interested in offering this product should send f.o.b. U.S. port quotations to Sr. J. C. Morido, Director de Compras y Contracciones, Municipalidad de la Ciudad de Buenos Aires, Secretaria de Salud Publica, Direccion de Administracion, Coronel Diaz 2110, Buenos Aires. Offers should indicate quantities offered and delivery terms and should be sent as soon as possible.

Soap, detergents, cleaning preparations, perfumes, cosmetics

28420 — ETHIOPIA — Supply of 120 000 kilos of floor-polish paste in tins of 200 grams. Composition: waxes and organic solvents with agreeable odor; freely and evenly flowing. All other physical and chemical characteristics must conform to acceptable international standards. Quotations required soon as possible. Ethiopian Import-Export Corp., P.O. Box 1897, Addis Ababa; telex 21041.

28440 — ETHIOPIA — Supply of 80,000 dozen units of tooth paste (40 000 small; 20 000 standard; 20 000 large size). Specifications as follows: Fineness—max. retained on 150-micron screen 0.1 percent; on 75 micron screen 2.0 percent. pH of aqueous suspension 4.0 to 10.5 lead (as Pb) max. 20 ppm. Arsenic (as As_2O_3) max. 2 ppm. Foaming power mil. min. 50. Quotations desired soon as possible. Ethiopian Import-Export Corp., P.O. Box 1897, Addis Ababa; telex 21041. Literature and certificate and analysis should be mailed with sample.

Special industrial machinery

• **35520—ALGERIA**—Tender No. 721/01/T0020 requests bids on construction of one turnkey velvet textile plant at Akbou Wilaya de Bejaia (Eastern Algeria). Bid deadline

Dec. 20. Interested bidders may obtain tender documents from: Sonitex, 4-6 Rue Patrice Lumumba, Algiers, telex: 52929. Documents cost $25.78.

● **35520—SYRIA** — Supply of 12 oilfield pumps. Bid deadline Oct. 11. Book of conditions and specifications available directly from tenderer. Write: The General Company of Iron & Steel, P.O.B. 24, Hama. Cable—GECOSTEEL — Hama. Bidder must submit tender bond of 5 percent tender value, performance bond 10 percent contract value. Offer valid three months after deadline.

Building construction

● **15100—NICARAGUA**—National Autonomous University invites construction firms from Nicaragua and Inter-American Development Bank countries to bid for construction of its medical school center, consisting of three buildings with area approximately 10,000 sq. meters and needed infrastructure. Plans, specifications and other documents available for US$350 from Architect Gustavo Carazo, Calle 27 de Mayo 1247, Apartado Postal 2629, Managua (telephone: 25321 and 22685). Bid deadline Nov. 12. Bid bond of US$71,428 required. Additional information available from office of Dr. Mariano Fiallos Oyanguren, Rector, Universidad Nacional Autonoma de Nicaragua, Leon (Cable: UNAN; telephone: 2612). Project being financed with US$11 million loan from IDB and Nicaraguan Government resources, under Loan 417-SF-NI. Recommended that interested U.S. firms obtain bid documents personally or through local intermediary.

15100, 16200—SOMALIA — Prequalification of firms to tender for these projects: a) construction of new primary teacher training institute, b) construction of Academy for Somali Studies in Mogadiscio, and c) extension and alteration to the Fishery and Marine Institute in Mogadiscio. Construction scheduled to start in 1976. Contractors wishing to be included in tender list contact Project Director no later than Nov. 15. Following particulars must be furnished: a) firm's experience in construction work, b) experience of work in Somalia or similar countries, c) details and value of recent projects successfully completed, d) bank references and financial position, e) work capacity in terms of personnel, plant equipment, etc. available for use in Somalia, f) time required to mobilize organization in Somalia, g) country of registration as civil works contractor, and h) membership in any professional institution and category of registration. Contractors should indicate selected construction units in which interested. Failure to meet above requirements may disqualify prospective contractors from tender list. Address of Project Director is IDA Education Project 511-0, Ministry of Education, Mogadiscio. This project is part of educational expansion program financed through IDA assistance.

General industrial machinery

● **35600—BANGLADESH**—Invitation to bid on 1,342 items of agricultural machinery and education equipment and accessories. Items include wheel tractors, disk harrows and plough, spring-loaded cultivators, digital moisture computer, seed counter, printing press, duplicating machine, freezing microtome, livestock weighing scale, steam blancher, colormeter, rice hulling machine, portable power sprayer, test plot thresher, vehicle (station wagon type), precision lathe, trucks, soil moisture gauge (dial type), three-way sprinkling cans, hot water incubator, slide rules, environmental chart, bull nose rigs,. thermo-hygrometer, fish hatchery net, all glass aquarium, dehumidifier, copying materials, and office equipment, etc. Purchase will be made under IDA Credit No. 407-BD. Quotation should be on cost and freight Chittagong basis. Prescribed tender form and other documents giving detailed specs., requirements, terms and conditions are available from Project Dir., Bangladesh Agricultural University, Mymensingh, Bangladesh, cable: "Agrivarsity" Mymensingh. Bid deadline Oct. 30.

● **35646, 35892 — SINGAPORE** — Supply, delivery, installation, and commissioning of components listed below for refuse incineration plant at Ulu Pandan. Bid deadline Oct. 16 for pre-qualification. Forms available free of charge from Tenders and Contracts Section, Ministry of the Environment, Princess House, Alexandra Road, Singapore 3. Items to be supplied include: (1) Three refuse incinerators with mechanically operated grates and integrated heat boilers; (2) Three electrostatic precipitators; (3) ash, slag, and scrap metal handling equipment; (4) one bulky waste crusher; (5) treatment plant equipment for boiler makeup water; (6) structural steelwork for furnaces and boiler house; (7) mechanical ventilation equipment for boiler house; (8) compressed air system; (9) instrumentation and monitoring equipment; (10) internal electrical system for boiler house; (11) feed water system piping inclusive of deaerator pumps and vessels.

● **35690—EGYPT**—Enameling plant for cast iron bath tubs, and sanitaryware for Cairo Metal Products Co. Bid deadline Nov. 12. Copies of tender available for 20 Egyptian pounds plus postage from Embassy of the Arab Republic of Egypt, Commercial and Economic Office, 2715 Connecticut Ave., NW., Washington, D.C. 20008. Tender Ref. No. 20/75. Issued by: General Organization for Industrialization, 6 Khalil Agha St., Cairo.

Important Notice

Member countries of the League of Arab States employ a secondary boycott against foreign firms which undertake certain specified types of business relationships with the State of Israel. It is possible that U.S. firms responding to trade or investment opportunities from Arab countries published herein may be asked at some stage of a transaction to participate in an Arab boycott-related restrictive trade practice as defined in the Department's Export Administration Regulations (15 CFR, Part 369 et. seq.).

Firms are reminded that pursuant to Section 3(5) of the Export Administration Act of 1969, as amended, it is the policy of the United States (a) to oppose restrictive trade practices or boycotts fostered or imposed by foreign countries against other countries friendly to the United States, and (b) to encourage and request U.S. concerns engaged in the export of articles, materials, supplies, or information to refuse to take any action, including the furnishing of information or the signing of agreements, which has the effect of furthering or supporting such restrictive trade practices or boycotts. Accordingly, U.S. concerns receiving such requests to participate in a restrictive trade practice or boycott are encouraged and requested to refuse to comply with them.

Firms are further reminded that U.S. concerns receiving requests to participate in a restrictive trade practice or boycott must report such receipt to the Department of Commerce in accordance with Section 369.2 of the above-cited regulations.

Electric transmission, distribution

● **36610 — ALGERIA** — Direction Regionalf Des Reseaux Des Transmissions De L'Interieur, Willaya D'Alger, Rue Asselah Hocine, Algiers, has issued tender for supply and installation of one automatic telephone switchboard with 800 lines (1,200 capacity) in the Algiers Wilaya (Province) Headquarters. Bid deadline Oct. 21. Copy of specifications available on short-term loan basis to firms located in U.S. from Science and Electronics Division, BDC-466, Room 1001, U.S. Dept. of Commerce, Washington, D.C. 20230, 202-967-5569.

Communications equipment

● **36620—EGYPT**—General Organization for Industrialization, 6 Khalil Agha St. Cairo, has issued invitation to bid for supply, supervision, erection and start-up and taking over tests of plant for manufacturing electrical fittings for domestic use at Arab Co. for Radio Transistors and Electronic Equipment. Bid deadline Nov. 15.

● **36620 — ETHIOPIA** — Board of Telecommunications of Ethiopia, P.O. Box 1047, Addis Ababa, is seeking bids for complete satellite communication earth station. Bid deadline Dec. 15. Specifications available from above address for $73.01 plus $12.50 mailing.

● **36620 — GREECE** — Hellenic National Radio-Television (EIRT) of Athens will shortly issue invitation for bids on a thousand kilowatt, $5 million medium-wave radio transmitter. Financed with EIRT funds supplemented by $1 million Greek Government subsidy. When request for bids is released, copy will be furnished to Department of Commerce, and will be available on loan to prospective U.S. suppliers. Interested parties should submit requests to Science and Electronics Division, BDC-466, Room 1001, U.S. Dept. of Commerce, Washington, D.C. 20230, 202-967-5569.

● **36620 — SINGAPORE** — Dept. of Civil Aviation, Singapore Airport, Paya Lebar, Singapore 19, has issued tender No. DCA/DEV 106 Vol. 6 for supply and installation of automated air traffic control system and associated equipment. Bid deadline Nov. 28. Tender forms available from above address for deposit of S$500 (approximately $200).

● **36630—BOLIVIA** — Servicio Autonomo Municipal de Agua Potabel Tlalcantarillado, Casilla 4439, La Phnu, Bolivia has issued Tender No. 14 for supply of complete communications system for 7 fixed stations with one SSB wave emission, 14 movable units VHF-FM and one base station VHF-FM with SSB interconnection. Bid deadline Oct. 27. Specifications available at above address for $15.90 or on short-term loan basis to firms located in U.S. from Science & Electronics Div., BDC-466, Room 1001, U.S. Dept. of Commerce, Washington, D.C. 20230, 202-967-5569.

Motor vehicles, equipment

● **37130 — BOLIVIA** — Agencias Internacionales, a Bolivian television sales and services firm, wishes to purchase three mobile television repair units, four-wheel drive, with necessary instruments, equipment and work area, for servicing black and white home-type television receivers used in mining camps in remote areas. Interested firms send proposals and price quotations, f.o.b. and c.i.f. Matarani, Peru, to Mr. Oscar Handal, Agencias Internacionales, Casilla 458, La Paz.

Engineering, laboratory, scientific research instruments

● **38110 — BANGLADESH** — Agricultural University, Mymensingh, is seeking bids for tender Au / EQIp / ADA / 407-BD / 75-76

(Group C) for electrical and electronic equipment and other accessories for education purposes to include water distilling apparatus, spectrophotometer, freeze drying plant, horizontal autoclave, refrigerators, incubators, oven, motor generator set, photocopying machine, etc. Bid deadline Dec. 15. Financed by IDA credit No. 407-BD; estimated cost $242,921. Tender form and other documents available from above address for $7.10 not refundable or on short-term loan basis to firms located in U.S. from Science & Electronics Div., BDC-466, Room 1001, U.S. Dept. of Commerce, Washington, D.C. 20230, 202-967-5569.

Instruments for measurement, analysis and control

• **38240—ECUADOR**—Senor Secretario del Comite de Licitaciones de la Empresa Municipal de Agua Potable de Guayaquil, P.O. Box 5253, Guayaquil, has issued tender IDB Loan 1031-EC for 9,000 residential consumption registering water meters with ½ inch diameter and 4½ inch long couplings; 6.000 residential consumption registering water meters with ½ inch diameter and 7½ inch couplings. Bid deadline Oct. 27. Specifications available from above address until Oct. 7, for non-refundable $100.

• **38250—THAILAND** — Purchasing Division, Provincial Electricity Authority (PEA), 200 Ngarmwongwaan Road, Bangkhen, Bangkok 9, has issued Tender No. P-25/1975 for 22.500 kilowatt-hour meters, single-phase, two-wire connection, double-jewel bearing, rated voltage 220V., 50 hz, rated current 5 (15)A. PEA also seeks separate quote for above meters with magnetic floating vearing. Bid deadline Oct. 20. Project financed by United German loan. Documents available at above address for $35 or on short-term loan basis to firms located in U.S. from Science & Electronics Div., BDC-466, Room 1001, U.S. Dept. of Commerce, Washington, D.C. 20230, 202-967-5569.

Optical instruments, lenses

• **38310 — PANAMA** — Departmento de Compras, Caja de Seguro Social, P.O. Box 1393, Panama 1, R.P., has issued Tender No. 11-M for one fully equipped electronic microscope. Bid deadline Oct. 22. Descriptive list available on short-term loan basis to firms located in U.S. from Science and Electronics Division, BDC-466, Room 1001, U.S. Dept. of Commerce, Washington, D.C. 20230, telephone 202-967-5569.

• **38320 — BANGLADESH** — Agricultural University, Mymensingh, has issued Tender No. 407-BD/75/76 (Group B) for optical instruments and lenses, including binocular and stereoscopic microscopes, research photomicroscope, camera-35mm, telescope, etc. Bid deadline Oct. 30. Purchase will be financed by IDA credit No. 407-BD. Terms and conditions available from above address for $3.56 not refundable or on short-term loan basis to firms located in U.S. from Science & Electronics Div., BDC-466, Room 1001, U.S. Department of Commerce, Washington, D.C. 20230, 202-967-5569.

• **38320—PANAMA**—Caja de Seguro Social, P.O. Box 1393, Panama 1, R.P. has issued Tender No. CSS-25-M for optical/medical instruments, equipment and supplies, consisting of phased, contrasting microscopes, binocular microscopes, cell counters, blood collectors, spectrofotometer, etc. Bid deadline Oct. 20. Equipment needed for new clinic in Panama City. Copy of specifications available on short-term loan basis to firms located in U.S. from Science & Electronics Div., BDC-466, Room 1001, U.S. Dept. of Commerce, Washington, D.C. 20230, 202-967-5569.

Surgical, medical, dental instruments

• **38410—KOREA**—Office of Supply, Seoul, has issued invitation No. ADB/L-75149-PII for supply of various types of equipment required in water treatment plant. Includes sterilizers, incubators, ovens, meters, vacuum pump, heaters, and water quality monitoring system. Bid deadline Oct. 17. Copy of specifications available on short-term loan basis to firms located in U.S. from Science and Electronics Division, BDC-466, Room 1001, U.S. Dept. of Commerce, Washington, D.C. 20230, telephone 202-967-5569.

• **38410—PANAMA**—Caja de Seguro Social, P.O. Box 1393, Panama 1, R.P. has issued invitation to bid CSS-24-M for surgical instruments to include pincers, field, hemastatic; jaw needle holders; scissors; separators; retractors; delators, etc., to be used in new clinic. Bid deadline Oct. 17. Copy of specifications available on short-term loan basis to firms located in U.S. from Science & Electronics Div., BDC-466, Room 1001, U.S. Dept. of Commerce, Washington, D.C. 20230, 202-967-5569.

• **38410—PANAMA**—Caja de Seguro Social, P.O. Box 1393, Panama 1, R.P. has issued Tender No. CSS-22-M for various types of surgical instruments for new operating room to include pincers, diamond needle holders. syringes, separators, dilators, tubes, bands, tourniquets, etc. Bid deadline Oct. 15. Copy of specifications available on short-term loan basis to firms located in U.S. from Science & Electronics Div., BDC-466, Room 1001, U.S. Dept. of Commerce, Washington, D.C. 20230, 202-967-5569.

• **38420—PANAMA**—Caja de Seguro Social, P.O. Box 1393, Panama 1, R.P. has issued Tender No. CSS-23-M for medical instruments and supplies to include orthopedic appliances, braces, prostheses, etc.; systems for removal of tonsils, adenoids, tumors, etc.; large quantity of stainless steel items, and operating room equipment. Bid deadline Oct. 16. Copy of specifications available on short-term loan basis to firms located in U.S. from Science & Electronics Div., BDC-466, Room 1001, U.S. Dept. of Commerce, Washington, D.C. 20230, 202-967-5569.

Scrap & waste materials

5093XXX—SOUTH AFRICA—Battery plate scrap; lead, brass & copper scrap; lead ashes & drosses; lead ore & antimony ore. Small company which is not yet operative desires contacts in U.S. in order to act as import/export broker handling mentioned commodities. Firm cannot furnish trade references, but owner and managing director of Identica, Ms. Goslar, is able to provide substantial personal references. Personal banking account is stated by Standard Bank, Commissioner St., Johannesburg, to be satisfactory. Telex—Ms. E. E. Goslar, Man. Dir., Identica (Pty.) Ltd., P.O. Box 78509; Sandton 2146, Tvl. Tel: 011/7840330; telex: 8/3137 SA.

Special product groups

9950XX—SWITZERLAND — Giftware & premiums for advertising & promotional use. Housewares & home decoration products suitable as gift items. Non-food items for supermarkets. Novelties & souvenirs. Stationary supplies with novelty, gift appeal. Advertising novelties & specialties, gift items. Metal novelties, suitable as gift items. Annual sales potential $300,000. Market territory Switzerland. Trades with numerous branches, mainly in Far East. Firm is Swiss sales subsidiary of Diethelm Group of firms with worldwide labor force of 4,000. Subject dept. employs 50; annual sales SF20 million. Wants to enlarge sales program. Reply ASAP to—Mr. J. P. Somm, Dir., Diethelm & Co., AG, Specialty Products Dept., Eggbuehlstr. 36, CH-8052 Zurich. Cable Adicosuisse Zurich; tel. 01/50 30 30; telex 56.901 Adico Ch.

Future Construction Abroad

FIJI — Sugar remains foundation of Fiji's economy, and **sugar development projects** are given high priority by Fiji Government. Seaqaqa sugar cane expansion scheme hopes to bring 52,000 acres of land on island of Vanua Levu under cultivation, hopefully to be divided into sugarcane farms of 50 acres each. Actual development of farms will not entail earthmoving or other large-scale government expenditure. Major purchase in this phase will be 150-200 farm tractors, some already ordered. Interested suppliers of tractors should contact General Manager, Fiji Sugar Corp., Box 283, Suva. Another aspect of Seaqaqa development will involve construction of feeder roads. Major expenditure in connection with Seaqaqa scheme will involve method of getting cane from fields to crushing mill at Labasa. Two means are under consideration: construction of tram-railway or major paved road suitable for semi-trailer trucks. Either method would involve major foreign procurement and would be up for international bidding. In addition to Seaqaqa scheme, the sugar infrastructure development program envisages improvement of drainage in a number of sugarcane areas, primarily on western side of Viti Levu, likely to involve construction of sea walls and trenches. Not yet known what quantity or type of equipment will be needed. Following an IBRD appraisal mission to study sugar projects, a number of consultancies may be put up for international bidding. U.S. firms interested in any phase of sugar infrastructure development projects write: Permanent Secretary for Agriculture, Ministry of Agriculture, Fisheries, and Forests, Rodwell Rd., Suva.

ALGERIA — Government is inviting offers and prequalification information from firms interested in providing **consulting services for improvement of ports** of Algiers, Annaba, and Oran. Offers must be in French and include company's articles of incorporation and technical and financial references from past five years. Information must reach Monsieur le Directeur General, Office National des Ports, 2 Rue d'Angkor, Algiers, telex: 52738, cable: OPSI ALGER, by Oct. 28. Tender information will be available from Ms. Cherie Loustaunau, Commerce Action Group for the Near East (CAGNE), Room 6015, Department of Commerce, Washington, D.C. 20230, 202-967-4441.

ARGENTINA—Agua y Energia Electrica—A y EE (state-owned power co.) has included the "Cordon del Plata" hydroelectric complex in its **Priority Hydroelectric Power Plan for 1976-1988,"** together with Parana Medio I and II, Rio Santa Crus I and II, El Chihuido, and Zanja del Tigre. Project is still in prefeasibility stage. A y EE estimates it will complete this stage by late 1977. Cordon del Plata-Tupungato: Dam for this project will be constructed on Tupungato river, downstream from confluence with either Blanco river or Santa Clara river. Power house will be built on right bank of Tupungato, in proximity of Punta de Vacas, almost at confluence of Cuevas with latter

river. Power station will have installed capacity of 150 MW (two 75 MW Francis turbines). Cordon del Plata-Uspallata: A dam designed to control flood tides in Cuevas and Vacas rivers will be located at confluence of both rivers and divert waters to conduit which will end in surge chamber 40 Kms. away, near Cerro Negro, at approx. 2,300 mts. above sea level. This spot will be starting point of 3,000 mt. long penstock tunnel, which will have a 700 mt. working fall at power house. Reportedly, power station will require five 200 MW Pelton turbines. Potrerillos dam will act as compensating dam. A y EE, Departmento de Estudios y Proyectos, Agua y Energia Electrica, Lavalle 1554, 4° Piso, Of. 405, Buenos Aires.

THAILAND—Office of Policy and Planning under Ministry of Interior has divided **Bangkok Urban Development Plan** into 5 projects: new community development; slum upgrading; traffic improvement; expressway construction; rapid transit system. New community development and traffic improvement projects are generally being performed by local firms. Other three projects are in feasibility study stage or short listed. Expressway construction feasibility study is being done by Freeman Fox of London, and rapid transit construction project is awaiting final report of German experts group who came to assist Thailand three years ago. World Bank has budgeted $35 million for construction. Interested contractors and equipment suppliers may submit profiles of companies and literature about products or services to: For new community development, Mr. Vathanyu Na Thalang, Dir., Office of National Housing Authority, Klong Chun, Bangkok 10. For slum upgrading project, Mr. Chalit Phakorn, Chief, Town Planning Div., Bangkok Metropolis, Dinsaw Rd., Bangkok 1. For traffic improvement project, Dr. Mayura Viseskul, Dir. Office of Traffic Policy and Planning, Ministry of Interior, Bangkok 2. For expressway and rapid transit construction projects, Mr. Chamlong Saleekupta, Dir., Express & Rapid Transit Authority, Ministry of Interior, Bangkok 2. OPIC.

The Overseas Private Investment Corp. (OPIC) offers political risk insurance to U.S. construction firms planning to submit bids on projects in certain developing countries, identified by the "OPIC" notation at the end of some items. For further information on OPIC's construction insurance program, write Information Officer, Overseas Private Investment Corp., Washington, D.C. 20527. Tel: 202-632-1854.

GUATEMALA—Firms interested in bidding on any of construction phases or supplying and installing of electromechanical equipment for the $280 million **Pueblo Viejo Hydroelectric Project** on the Chixoy River must obtain prequalification documents from INDE, 6A Avenida 2-73, Zona 4, Guatemala City, Telex: 324 INDE-GU, for $50. Work consists of installing 230 megawatts of generating capacity; building tunnel 25 kms. long and 4.93 meters wide; dam 105 meters high containing 2.8 million cubic meters of fill; and 120 kms. of 230 kw electric transmission line. Funding will be by World Bank, CABEI and internal government funds. Preferable but not required to correspond in Spanish. Prequalification deadline Oct. 15.

Huge Iranian-Italian Project Will Require Heavy Imports

An Italian firm, Societa Italiana per Condotte D'Aqua S.p.A., has been awarded a billion-dollar contract to build a new port in the Persian Gulf for Iran. Offers of American suppliers of port equipment, construction equipment and materials, and other items required in this huge project will be welcomed, according to a spokesman. Procurement will commence in late fall.

The project, to be completed in about 3 years, will consist of dredging about 54 million cubic yards, building approximately 26,000 feet of deep water docks, two breakwaters, 5,000 acres of land installations, a desalination plant, and housing for 2,000 persons. The contract will be executed by Italcontractors, a consortium composed of Condotte d'Aqua, Construzioni Metalliche Finsider, Italedil, Dragomar, and Mantelli and Cia. Condotte D'Aqua is controlled by Italstat S.p.A., which is a member of the giant I.R.I. public holding company.

Procurement will be centered in Rome. Prospective suppliers should send details of their capabilities without delay to the following address: Ing. Silvano Ricceri, Ufficio Estero, Societa' Italiana per Condotte d'Aqua, Viale Liegi 26, 00198 Rome.

Representations

Foreign private firms are interested in agency agreements and/or distributorships for these products.

Clay

1455XXX — PHILIPPINES — Kaolin clay. Excl. agency. Requests c. & f. quotations. Estab. importer, agent & distr. of metalworking, wood processing & other industrial machinery & equipment. Reply to—Mr. Wm. O. Lim, Pres. & Gen. Mgr., J & W Trading & Industrial Corp., Rm. 324, Sarmiento Bldg., Ayala Ave., Makati, Rizal, Philippines. Cable Jwindusup Manila; telex 7222219 JW1 PH; tel. 89-95-70/89-58-40.

Textile goods

22993XX — GERMANY — Textile goods, scoured wool—domestic & foreign—60's & finer; 50's up to 60's; rayon or acetate; manmade fabrics except rayon or acetate; tops—other firms & own firms; noils—60's and finer; 50's up to 60's; rayon & acetate; manmade fibers, except rayon or acetate; rayon & acetate manmade tow. W. German textile mfr. with production facilities in W. Berlin interested in acting as distr. for U.S. textiles. Has 25 salesmen operating throughout W. Germany & believes inclusion of U.S. line would be beneficial to both parties. Reply ASAP to—Herrn Jakob, Emil Marggraff Tuchfabrik KG, 1 Berlin 27, Holzhauser Str. 141. Telex 18 13 48.

Household appliances

3639961—ITALY—Garbage compactors. Est. of value not possible, but Ing. Brancale foresees sale of about 10 units/yr. Newly estab. enterprise (1975). Ing. Brancale, son of high-ranking man in SIP (main advertisement agency in Italy), is well regarded by banking sources. Rep. & agent in field of detergents & food. Reply to—Ing. Franco Brancale, Owner, Via Primule 4, 20020 Barbaiana di Lainate (Milano). Tel. (02) 93.55.396.

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